Daily Report

Latin America

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Group of 77 Meeting Sets Up Information Network

FL0311005090 Havana Radio Rebelde Network in Spanish 0018 GMT 3 Nov 90

[Report by Jose Arteaga on the "Exclusivo" program]

[Text] A world trade information network between Chambers of Commerce and Industry of the Group of 77 will begin on an experimental basis next year and it will be applied gradually in developing countries as of 1992. This decision was made at the Palace of Conventions where the fourth meeting of Chambers of Commerce and Industry of the Group of 77 is being held. The meeting will end tomorrow with a report.

The purpose of the world trade information network is to establish ties between suppliers and buyers. Financial support is needed for this, the delegates said. During the discussions, the Cuban delegation requested that Chambers of Commerce and Industry officials make visits to the countries that comprise the Group of 77 to learn more about the markets.

For its part, the Ugandan delegation called for solutions to the transportation system, payment mechanisms, and customs tariffs, which prevail in South-South trade. Indonesia was elected to host the fifth meeting of the Chambers of Commerce and Industry in October 1991 in Jakarta.

Caricom Leader in Attendance

FL0311033290 Havana Radio Reloj Network in Spanish 0302 GMT 3 Nov 90

[Text] In Havana, Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has received Caribbean Community [Caricom] Secretary General Mr. Roderick Rainford. During their meeting, they discussed topics related to the integration of the English-speaking Caribbean and the rest of Latin America, as well as the possibilities that exist in regard to relations with our country. Carlos Rafael Rodriguez briefed Roderick Rainford on Cuba's development plans and the measures adopted to confront the current difficulties. The Caricom secretary general is visiting Cuba at the invitation of the Cuban Government and Chamber of Commerce to attend the Fourth meeting of Chambers of Commerce and Industry of the Group of 77, which will end tomorrow afternoon in Havana.

First Southern Cone Deputies Conference Opens

PY0311123090 Madrid EFE in Spanish 0129 GMT 3 Nov 90

[Text] Santiago, 2 Nov (EFE)—Chilean Foreign Minister Enrique Silva Cimma opened today the first Southern Cone Deputies Conference. He called on the deputies to abandon rhetoric and to work for "effective" integration.

The meeting is taking place at the Congress Building in Valparaiso, and in attendance are 46 deputies from Argentina, Brazil, Paraguay, Uruguay, Chile, Bolivia, and Peru. The meeting will end Saturday, 3 November.

In his speech to welcome the participants, Minister Silva Cimma said that the struggle to defend democratic principles should unite the Southern Cone countries, and he called terrorism and drug trafficking "disgraces" to the nascent regional democracies.

The Chilean minister asked that integrationist rhetoric be abandoned, and he reiterated Chile's Latin-Americanist inclination.

Jose Antonio Viera Gallo, president of the Chilean Chamber of Deputies and conference host, called for the Southern Cone to be turned into "an ecologically clean zone of free trade, where the circulation of goods, peoples, capital, and technologies is free so that a large market may be formed."

The Chilean congressman also called for the Southern Cone to become a zone of "justice and social participation," where income is redistributed and there is no discrimination on the basis of sex.

He added that the Southern Cone countries should come out in favor of protecting the Antarctic ecosystem, and in favor of "a region of security and peace, free from nuclear, chemical, and bacteriological weapons."

Viera Gallo also asked the attending deputies to voice their opinion on the "Americas Initiative" launched by U.S. President George Bush, a proposal that, among other things, calls for creating of a continent-wide free trade zone and for tackling drug trafficking and ecological problems.

President Patricio Aylwin will receive the attending deputies 3 November at the weekend residence of Chilean presidents in Vina del Mar, a city near Valparaiso, where the juridical and programmatic basis for an agreement among Southern Cone legislatures will be analyzed.

Weekly Roundup on Regional Drug Seizures

PA0511133290

[Editorial Report] Following is a compilation of reports on drug seizures and arrests related to drug trafficking in bureau coverage area from 29 October to 4 November. Source follows in parentheses after each item.

Colombia

The Cauca Police destroyed a cocaine processing laboratory and seized 10 kg of the drug during a raid on Loma Pelada farm, Santander de Quilichao Jurisdiction, Cauca Department. (Bogota El TIEMPO in Spanish 26 Oct 90 p 6-C)

Costa Rica

Public Security Minister Victor Herrera has reported that the Costa Rican police arrested Ricardo Salazar Yepez for possession of 2.5 kg of cocaine. Salazar Yepez was arrested in Sixaola, on the border with Panama. He had the drug taped to his abdomen. Salazar Yepez confessed that there is a network of drug traffickers operating along the Caribbean coast between Panama and Costa Rica. (Panama City ACAN in Spanish 2232 GMT 2 Nov 90)

Honduras

On 1 November, the Honduran authorities burned 58 kg of cocaine worth approximately one million lempiras on the drug market. Representatives from the Health Ministry and Attorney General's Office witnessed the burning of the drug, which was carried out amid strict security in light of the fact that threats had been made that drug traffickers would attempt to steal it. (San Pedro Sula TIEMPO in Spanish 2 Nov 90 p 10)

Mexico

The National Defense Secretariat has just concluded a nationwide antinarcotics operation. During the 42 days that the operation lasted, the Mexican authorities seized approximately 53,000 kg of marijuana, 339 kg of poppy seeds, and approximately 1 kg of opium paste. The authorities also destroyed 29,998 marijuana and 13,392 poppy plants and arrested 106 alleged drug traffickers. Likewise, 29 clandestine airstrips were destroyed and 16 vehicles, 18 helicopters, and 486 weapons were confiscated. (Mexico City XHTV Television in Spanish 0200 GMT 31 Oct 90)

The Attorney General's Office has reported that members of the Federal Judicial Police clashed with a group of alleged drug traffickers in Miguel Aleman, Tamaulipas, on 27 October. The authorities reported the deaths of two drug traffickers. Two policemen were wounded. During the operation the authorities seized 10 kg of cocaine and 150 kg of marijuana. (Mexico City NOTIMEX in Spanish 2213 GMT 31 Oct 90)

An alleged drug trafficker was killed on 30 October during a clash with policemen in Cuetzala, 150 km east of Chilpancingo. The police also destroyed three hectares planted with marijuana and seized 12 bundles of the drug. (Mexico City NOTIMEX in Spanish 0103 GMT 1 Nov 90)

The Attorney General's Office today reported that 15 alleged drug traffickers have been arrested and approximately 900 kg of marijuana was seized during various

operations throughout the states of Michoacan, Queretaro, Jalisco, and in the Federal District. (Mexico City NOTIMEX in Spanish 1756 GMT 3 Nov 90)

Panama

During several antinarcotics operations carried out throughout the week, the Judicial Technical Police seized 2 kg of cocaine and 300 grams of bazuco, and arrested a Colombian citizen and three Panamanians, including a minor, who were buying and selling the drugs in a Panama City neighborhood. (Panama City CRITICA LIBRE in Spanish 2 Nov 90 pp 1, 22)

Venezuela

During an antinarcotics operation in La Concordia Square in Caracas, members of the National Guard seized 50 kg of cocaine and arrested four persons. The drug was hidden in a car parked near the square. In a separate operation at Maiquetia International Airport, the police arrested a German citizen for possession of 2 kg of drugs. The German citizen, who was traveling to Italy, had the drug stashed in his suitcase. (Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 1 Nov 90)

Cuba

Red Sunday Anniversary Celebrations Reported

Castro Tours Work Sites

FL0511124890 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Nov 90

[Text] Commander in Chief Fidel Castro Ruz has toured several Havana Province municipalities on the occasion of the Red Sunday [4 November] mobilization and later visited the Eighth International Trade Fair that concluded in our capital.

In a tour of Guines, Melena del Sur, and Batabano Municipalities, the chief of the revolution discussed the progress made in the camps built for workers mobilized from the capital and the first results of the tuber and crop harvest. In remarks to journalists, Fidel praised the workers' morale and he said: We will see results working this way, with noble selflessness and principles we can accomplish whatever we want in Cuban agriculture.

At the international fair, Fidel expressed his satisfaction with the number of countries participating in the event. He said that despite the blockade and the restrictive measures imposed by the U.S. Government, Cuba held its fair and progress was made in cooperation. Later, Fidel remarked on his visit to Havana Province:

[Begin recording] [Castro] I saw the Blas Roca workers, the workers of the [words indistinct]. I saw our youths at the camps in Guines and at camps under contruction. I saw the youths from Havana. I was at a camp for Central Havana workers and at a camp being built by workers from Cotorro. I saw everything there. The youths were filling tens of thousands of [words indistinct] which come from the banana laboratory.

[First unidentified speaker] The laboratory for microjet irrigation?

[Castro] Other workers were building the camp for the 30th Blas Roca Brigade. Others were building another camp. Everything will be the same tomorrow and if you go there next Sunday, you will find the same thing. To those people, to those people [repeats himself], there is no Monday or Saturday. I said that the workers of the contingent there had a red five-year period [as opposed to a Red Sunday]. The camps are very advanced. They are catching up in preparing the land after the rains, after the delays made by a fuel shortage and some breakdowns. They are working hard.

[Second unidentified speaker] Commander, what do you think about the women's attitude in this work.

[Castro] They are in first place. To tell you the truth, the women are in first place. [end recording]

Lage Addresses Main Ceremony

FL0611031090 Havana Television Service in Spanish 0100 GMT 6 Nov 90

[Text] The main ceremony marking the 73th anniversary of the Great October Socialist Revolution took place at the FAR [Revolutionary Armed Forces] Universal Hall in this capital this afternoon. It was presided over by leaders of the party, the state, the UJC [Union of Young Communists], and mass organizations, as well as by Yuriy Petrov, USSR ambassador to our country, and other Soviet officials. Carlos Lage Davila, alternate member of the Communist Party of Cuba Politburo, made the closing remarks.

[Begin Lage recording] In these times of doubts and uncertainties, of haphazard responses, of the renouncing and giving up on the faith in socialism, we lift our heads to say that Lenin's ideas, together with those of Marti, Maceo, Mella, Guiteras, Che, and Fidel, part of our dearest heritage. [applause]

In light of the events that are taking place in Eastern Europe and the Soviet Union, the significance of October is no less important. To the contrary, its beautiful legend becomes greater. As has been said, the days during which revolution triumphed shook the world. It changed the face of feudal Russia and increased the power of dozens of millions of inhabitants who would later form the Soviet Union.

With the energy generated by its ideas, the masses faced a powerful coalition of counterrevolutionary armies of imperialist countries in difficult and bloody times. They developed the country's economy and defeated the Nazis. A multitude of European peoples owe their freedom to that victory. Moreover, the entire humankind cannot even imagine the pain it prevented.

The Soviet people, under the leadership of the Communist Party, rebuilt a devastated country, helped rebuild others, and made the Soviet Union emerge from the ruins until it turned into a world power of unquestionable merits, one that began the conquest of outer space and developed as a considerable part of its policy the consistent practice of solidarity and proletarian internationalism [applause] [end recording]

CTC Official Views Mobilization

FL0511160990 Havana Tele Rebelde Network in Spanish 1450 GMT 5 Nov 90

[Text] The Red Sunday [4 November] work day can be described as productive, organized, and efficient, said Pedro Ross Leal, secretary general of the National CTC [Cuban Workers Federation]. More than 2 million workers mobilized throughout the country to pay tribute to the Great October Revolution.

As was expected, the work was done where it was needed. The principal tasks were in agriculture—in the construction of camps for mobilized workers, as well as in the planting and weeding of tuber and vegetable plantations.

Workers also repaired sugar mills and made preparations for the next harvest. Hundreds of collectives of workers throughout the country devoted their productive efforts of Saturday and Sunday to maintaining machinery and organizing materials, as well as to production in factories supported by raw materials.

In Camaguey and the eastern provinces, the rain did not inhibit high participation in agricultural work or construction. Workers also took advantage of the opportunity to assess the damages caused by the heavy rains of previous days.

Enterprise Officials Accused of Economic Crimes

FL0511134990 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Nov 90

[Text] Investigation of embezzlement, abuse of authority, and misappropriation of financial and material resources by a group of former leaders of the Matanzas Gastronomy Supply Enterprise has begun.

The provincial prosecutor's office was able to determine that during the first nine months of this year, food, including milk and meat products, designated for use in the gastronomy industry and valued at 59,662 pesos was diverted. It was also determined that 4,353 boxes of beer and 203 boxes of refreshments were also diverted to certain people and state organizations during that time. Likewise, parts for Lada and Moscovich cars, many of which were discovered at the house of Gilberto Laguardia, deputy director of commerce of the Matanzas enterprise were misappropriated . The possession of mechanical parts for discontinued vehicles, illicit contracts and payments, missing inventory, and bank deposits in excess of 45,786 pesos are other violations detected by the Matanzas prosecutor's office.

Guantanamo PCC Plenum Makes Personnel Cuts

FL0511212590 Havana Radio Reloj Network in Spanish 2032 GMT 5 Nov 90

[Text] Important decisions have been adopted during the plenum of the Provincial Committee of the Communist Party of Cuba [PCC] in Guantanamo held this weekend. They are aimed at perfecting the structure and functioning of the party in Guantanamo. In line with the measures approved recently by the commission organizing the Fourth Congress, the number of Executive Bureau members was reduced from seven to five. The committee eliminated 50 percent of posts and a large number of officials were let go.

Raul Michel Vargas, first secretary of the party in Guantanamo, said those decisions are aimed at moving toward methods and work styles characterized by comprehensiveness, and the elimination of duplication, overspecialization, and other deficiencies. In this way, he said, the party limits its nominal attention to organizations and institutions according to the state structure and will play its guiding and supervisory role in a multilateral manner.

Caricom General Secretary Rainford Meets Castro

FL0511141390 Havana Tele Rebelde Network in Spanish 1400 GMT 5 Nov 90

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has received Mr. Roderick Rainford, secretary general of the Caribbean Community [Caricom], the organization that integrates the 13 English-speaking Caribbean countries.

Mr. Rainford is in our country on the occasion of the Fourth Meeting of the Chambers of Commerce and Industry of the Group of 77 and he has fulfilled an extensive agenda of visits and meetings with government leaders.

Rainford briefed Comrade Fidel on the current integration process in the English-speaking Caribbean and how it relates to other Caribbean countries, including Cuba, as well as to Latin America in general. He also expressed interest in the possibilities that exist in scientific and medical cooperation.

For his part, Fidel briefed Rainford on Cuba's plans for research and development in our country, as well as the production of high-tech medicines and the level already reached. The two officials also discussed the role of tourism in the economies of Caribbean countries.

Commentary Condemns U.S. Economic Blockade

PA0511174490 Havana International Service in Spanish 0000 GMT 3 Nov 90

[Commentary by Roberto Morejon]

[Text] The trade and economic blockade enforced by the United States against Cuba since 1960 represents an immoral action that violates the most elemental norms of international coexistence and agreements signed by many countries.

The fact that one nation wants to strangle another through starvation reveals the true intentions of the United States—to annihilate the revolutionary process by any method, no matter how unscrupulous. The U.S. blockade contradicts the norms of the General Agreement on Tariffs and Trade [GATT], which stipulates implementation of a much broader, viable, and durable multilateral system for the exchange of products.

The United States is exerting pressure on its Western allies to imitate their harsh measures against Cuba, including the denial of life-saving medicine purchases within U.S. territory. Washington insists that its commercial associates should refuse to purchase Cuban products or send materials needed by the 10 million inhabitants of the island.

The White House has stepped up its blockade in a feverish anti- Cuban campaign, and it is trying to stop subsidiary companies established outside its territory from trading with Cuba. A chapter of this obscenity reached its climax when the Canadian Government, in a

sovereign action, reacted irately against a U.S. bill that increased the blockade against Cuba by including U.S. affiliates operating abroad. Ottawa ordered the multitude of U.S. affiliates operating in Canada to ignore the measures adopted by the White House.

Canada has stable economic relations with Cuba, regardless of its political system, as should exist among civilized states. The Canadians represent the island's best clients in the tourism sector, but this fact bothers the U.S. Government, which hopes that the latest changes in the world will lead to Cuba's economic collapse. The Canadian authorities' answer to the U.S. intervention in their internal affairs represents a dignified action that should be emulated by other industrialized nations upon which the United States is also exerting pressure to isolate Cuba. However, the current process toward the creation of a bipolar world sweeps aside these views with the stroke of a pen.

Institute Appeals to UN

FL0511130690 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Nov 90

[Text] The Jose Marti Ecuadoran-Cuban Cultural Institute has called on the United Nations to intercede with the United States on behalf of Cuba in an effort to lift the economic blockade and the interference against Cuba. A letter signed by the institute's president, Ecuadoran painter Osvaldo Guayasamin, tells UN Secretary General Javier Perez de Cuellar that Cuba is subjected to unilateral measures that violate international law. He adds that the principles of noninterference and self-determination are being violated by the United States. He also asked for an end to the illegal radio and television broadcasts from the United States to Cuba.

Mexican Ambassador Discusses Trade Prospects

PA0511223390 Mexico City NOTIMEX in Spanish 1747 GMT 29 Oct 90

[Text] Havana, 29 Oct (NOTIMEX)—Mario Moya Palencia, new Mexican ambassador to Cuba, told NOTIMEX today that the free trade agreement that Mexico is negotiating with the United States will not alter Mexican-Cuban relations in any way.

Upon his arrival at Havana's airport, Moya Palencia, a former Mexican ambassador to Japan, said that the free trade agreement with the United States can be advantageous for Cuba because "it will help bring Latin America closer to my country."

Moya Palencia, who will present his credentials as new Mexican ambassador to Cuba in the next few days, pointed out that the level of "political, economic, and cultural" relations between Mexico and Cuba is "traditionally excellent."

According to the Mexican ambassador, the free trade agreement will create a situation of economic globalization in the continent, which will "set the stage for the return of Cuba to the inter- American system."

Moya Palencia stated that the return of Cuba to the OAS at an invitation by the Group of Rio will help it "improve its citizens' standard of living."

The mission of the new Mexican ambassador, Moya Palencia concluded, "will be to increase the traditional relations of friendship in keeping with the strong bonds that exist between us."

Escalona Receives Soviet Parliamentary Delegation

FL0611031390 Havana Television Service in Spanish 0100 GMT 6 Nov 90

[Text] Juan Escalona Reguera, president of the National Assembly of the People's Government [ANPP], has received the Soviet parliamentary delegation that came to attend the festivities marking 73th anniversary of the October Revolution. This is also part of the exchange the ANPP of the Republic of Cuba is holding with various parliaments. (Pavel Vlamidimovich Shedko), member of the USSR Presidium and president of the Committee for Internationalist Combatants Affairs, is heading the delegation that will complete a broad program of activities in the next few days.

During the conversation, the president of the ANPP explained our government system to the visitors and responded to their questions regarding the internationalist help given by Cuba to various countries. After visiting the Frank Pais Hospital, (Shedko) praised the treatment of the Soviet soldiers who fought in Afghanistan. USSR Ambassador Yuriy Petrov was present during the meeting. The delegation will give a news conference at the end of its visit next week.

Chinese Electronics Industry Delegation Visits

FL0611035090 Havana Television Service in Spanish 0100 GMT 6 Nov 90

[Text] The electronics industry delegation from the Chinese City of (Tanjing), which is in our country on a working visit, toured a printed circuits factory of the computer technical resources enterprise in this capital today.

The delegation arrived in our county last 28 October to learn about the traits and current development of the Cuban electronic industry and the possibilities of establishing a technical and trade exchange in this field. After receiving a detailed briefing by the center's management, the members of the delegation toured the installations. There are 150 workers in the factory and 60 percent of them are higher level technicians.

The Chinese delegation is headed by Mr. (Yan Hing Chen), deputy mayor of the City of (Tanjing) and chief of the lead promotion group of the electronic industry in

the area. Currently, (Tanjing) has over 100 electronic industry-related factories. This places it at the forefront in the field at the national level. This is why this visit to Cuba and the future relations that could be established in the future are important.

[Begin recording] [Chinese official in Chinese with superimposed Spanish translation] We believe you have relatively modern equipment for the production of electronic keyboards, displays [preceding word in English], and monitors. I believe that Cuba will be able to obtain great successes in the field of electronics in the next few years.

[Unidentified reporter] How do you see the development, the future of Cuban-Chinese relations in the field of the electronics industry?

[Chinese official] In the first place, we are thinking about developing cooperation with Cuba in the production of color television sets. There are other areas in electronics where cooperation is possible, of course. We need to study them. [end recording]

Health Minister, PRC Counterpart Sign Document

FL0511164390 Havana Radio Reloj Network in Spanish 1502 GMT 5 Nov 90

[Text] Chinese and Cuban Public Health Ministers Chen Minzhang and Julio Teja, respectively, today signed a document that shows the high esteem held for the Health for All Symposium which is being held in Beijing. To consolidate the contacts initiated with this visit, the document states that a delegation from the Chinese medical organization, presided over by its leader, will come to Cuba soon.

The Cuban public health minister, who is returning to our country, expressed his satisfaction with the level of talks held, his visits to research centers, and the communications between specialists who accompanied the Cuban delegation and their Chinese counterparts. Teja said that during his meetings with State Councilman Li Tieying, his counterpart Chen, and other people from scientific circles, the Chinese praised the successful health policy developed by our top leader.

Bolivian Military Academy Delegation Arrives

FL0511132790 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Nov 90

[Text] A delegation from the Colonel Eduardo Abarroa National School of Higher Studies of the Republic of Bolivia has arrived in our country for a friendly visit at the invitation of the Revolutionary Armed Forces [FAR]. The delegation is led by Colonel Jose Cardenas Salinas, director of the Bolivian studies center.

Upon their arrival at the Jose Marti International Airport, the visitors were received by Brigade Generals Urbelino Betancourt and Leonardo Andollo, deputy chief of the General Staff and chief of the FAR Ministry, respectively. During their visit to Cuba, the delegation will tour centers of historic, political, military, and social interest.

*** Citizen Views of Governor Ruffo Surveyed**

91CA0007A Tijuana ZETA in Spanish
28 Sep-4 Oct 90 pp 24A- 25A

[Text] At the end of his first 11 months as governor, the people of Baja California gave the performance of Ernesto Ruffo Appel as state governor an "8."

Coordinated by the ZETA Department of Research and Investigation, students from the Communications Program of the Ibero-American University of Tijuana, from the Autonomous University of Baja California in Mexicali, and members of the SIESA [expansion unknown] agency in Ensenada conducted the interviews, which contained six actual questions.

Because of technical problems and a lack of time, at this time the poll could not be conducted in Tecate, where Ernesto Ruffo won in the 1989 elections by a lesser margin than in Tijuana and Ensenada.

Nevertheless, as it was conducted in cities with the largest populations, the survey is representative.

ZETA will use the first state of the government report issued by the mayor of Tecate to measure the state governor's popularity with the people of Tecate.

The number of interviews conducted in Tijuana totaled 302; in Mexicali 50; and 50 in Ensenada. Of those surveyed in the first city 148 were men and 154 were women. Thirty men and 20 women responded in the state capital, and 26 men and 24 women responded in the port city.

We should point out that, if the data totals for any point of the questionnaire do not match the total number of people interviewed, this should not be considered an additional error, as some persons interviewed did not answer certain questions.

In response to the initial question asked to determine the opinion of the people of Tijuana about Mr. Ruffo's first year as governor, the following answers were given:

- 105 rated it as good; 95 average; 36 very good; 15 democratic; 13 considered it just; 11 corrupt; 12 described it as energetic; three as different; and ten persons interviewed did not answer this question.
- In Mexicali, 19 described the Ruffo administration as average; 13 as good; three as very good; three as just; three as energetic; four complained of being poor; two described the administration as corrupt; and two more did not answer. Here one poll contained incorrect data.
- In Ensenada, 16 rated the administration as good; ten as democratic; 13 as average; four as very good; four as just; and only one person interviewed declined to answer this question. No one rated the administration as corrupt. Two persons interviewed provided incorrect data.

The second question asked was how they would rate Ruffo on the traditional scale of five to ten. The result throughout the state was the following:

- 138 gave him an eight; 80 gave him a nine; 73 a seven; 31 gave him a five; 16 gave him a perfect rating of ten; and 64 did not answer.

To the question, "Where do you think Ernesto Ruffo Appel has made mistakes?" the answers were:

- 106 said in selecting his cabinet; 68 said in his handling of public services in general; 62 felt that Ruffo has made no mistakes so far; 39 felt that he needs to be closer to the people; 29 complained of the lack of water; 14 of the judicial system; and three of housing.
- 38 of the people polled by the ZETA research team, consisting of students from the Ibero-American university and from the UABC [Autonomous University of Baja California], declined to answer.

At the start of Ruffo Appel's term as governor, a good relationship with President Carlos Salinas de Gortari was considered possible:

- 113 in Tijuana, 12 in Mexicali and 13 in Ensenada felt that it has remained the same; 95 of the total of the people polled said that it has changed a little; 45 said it has changed a good deal; and 37 felt that relations between the president and the state governor have improved. Of those surveyed 87 people did not answer this question.

On whether the people of Baja California have observed any difference between the PRI [Institutional Revolutionary Party] style of governing and the style of the PAN [National Action Party] member now in office, the following answers were given:

- 134 said there has been a great difference; 92 said only a little; and 91 said that everything has stayed the same. Of those surveyed 79 did not answer.

The final question asked by the Department of Research and Investigation was the following:

How do you see the future of Governor Ernesto Ruffo Appel?

- 110 in Tijuana said it would be difficult; 23 in Mexicali agreed; and ten in Ensenada also agreed with that view. Of those surveyed 116 felt it would be interesting; 77 said it will be dangerous; 34 said it will be interesting; and 32 did not answer.

As stated in the beginning, the majority of the interviews were conducted in Tijuana, but based on later data analysis, a similarity in opinions was found when percentages were being determined.

This is the way opinions now stand; at the time when he is about to give his first report on the state of his administration, the majority of the people of Baja Cali-

fornia contacted by ZETA's Department of Research and Investigation gave Ernesto Ruffo Appel an "eight" for his term as governor.

Poll Data

General coordinator of the poll: Alberto Osuna Garcia. Preparation of the poll: Hector Javier Gonzalez Delgado. Polling team in Tijuana: Catalina Bojorquez; Mari Carmen Miranda; Trinidad Ramirez; Miryam Ruiz; Patricia Saharagui; and Alma Valdez. Polling team in Mexicali: Adriana Contreras Romo; Blanca Estela Cazares; Josefina Chavez Almeida; and Rosa Ramos. Polling team in Ensenada: Luis Castillo: Sergio Garcia; Gustavo Lueugas; Veronica Madero; and Teresa Tiserina.

El Salvador

MNR Leader: Cristiani Acting 'Intelligently'

PA0511144790 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 3 Nov 90

[Text] The Salvadoran Government and the FMLN [Farabundo Marti National Liberation Front] are seeking new ways and methods to negotiate to make some progress in the peace talks to end the 10-year-old war. Guillermo Manuel Ungo, leader of the National Revolutionary Movement [MNR], made this statement in Mexico City. Ungo is attending the talks between several political parties and the FMLN in Mexico City.

The MNR leader, who is the coordinator between the political parties and the FMLN, said that the Salvadoran Government is somewhat willing to negotiate, but not enough yet. He said the government wants everything on a silver platter because it wants the FMLN to do things now, while it offers to do everything tomorrow.

He said that President Alfredo Cristiani's government is acting more intelligently now by accepting the UN mediation in the dialogue, although the United Nations is not God the Father, nor God the Son, nor the Holy Ghost, and the conflicting parties cannot achieve miracles.

Ricardo Smahan, representing the Salvadoran president at the meeting, said that they are trying to reach agreements and a consensus on electoral matters. He said that President Cristiani will accept any agreements adopted by consensus.

There are 18 delegates from the FMLN and nine from Salvadoran political parties, including the ruling Arena [Nationalist Republican Alliance] party.

They are debating the possiblity of holding peaceful legislative elections in March 1991 and the means to speed up the talks between the guerrillas, the government, and the Army.

Rebel Radio Says Talks Scheduled for 20 Nov

PA0511220590 (Clandestine) Radio Venceremos in Spanish to El Salvador 0200 GMT 2 Nov 90

[Text] A Salvadoran Government employee involved in the negotiations process has announced that the negotiation meeting scheduled for 4 November between the government and the FMLN [Farabundo Marti National Liberation Front] will be held instead on 20 November, at the Mexican Government's request.

Bus Owners Association Calls Strike for 6 Nov

PA0611043990 San Salvador Canal Doce Television in Spanish 0300 GMT 6 Nov 90

[Text] Early tonight, the AEAS [Association of Salvadoran Bus Owners] confirmed that it will stage a collective bus strike on 6 November. An AEAS communique states that in view of the government's failure to respond to its request for a hearing, it has decided to suspend public transportation services as of 0500 on 6 November.

The communique adds that if despite the strike the government refuses to meet with AEAS representatives, the strike will be extended for 24 hours more, and so on, successively. The AEAS is also calling on the country's political parties, organized groups, and Armed Forces to refrain from politicizing or taking advantage of the transportation strike because, it says, it is primarily a union matter.

FMLN Occupies 3 Towns in Chalatenango

PA0611014590 Mexico City NOTIMEX in Spanish 1637 GMT 5 Nov 90

[Text] San Salvador, 5 Nov (NOTIMEX)—This morning, Salvadoran guerrillas occupied three towns in the northern Chalatenango Department and held several political activities with the local residents, a rebel spokesman has announced.

According to the report, members of the Farabundo Marti National Liberation Front (FMLN) attacked the towns of La Palma, San Ignacio, and Las Guardas, approximately 80 km from San Salvador, at 0500 today.

In a telephone call to a local radio station, the FMLN spokesman explained that the purpose of the occupation was to inform the civilian population of the rebels' perspective on the current negotiating process. No clashes took place during the occupation, as there were no army troops in the area, he emphasized.

The FMLN also charged that members of the Honduran Army entered Salvadoran territory and shot Oscar Cortes, a peasant from Valle de Jesus Canton in northern El Salvador, who was in the Sumpul River.

Meanwhile, the prolonged fighting that took place this past weekend in Ciudad Barrios, San Miguel Department, about 15 km from San Salvador, left a toll of six army casualties, according to a rebel report.

The Army Press Office admitted that one officer and one soldier were wounded in the clashes, while the FMLN reported it had killed two and wounded four members of the Ponce Battalion.

Violent clashes took place last night in Arambala, eastern Morazan Department, as well as near Nejapa, 21 km from the capital city. Official sources reported there were no casualties.

The report added that within the last few hours government troops seized a large amount of war materiel from the FMLN in various parts of the country.

October Clashes Between Guerrillas, Army

PA0511133490

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 28 October broadcasts four minutes of military reports on clashes

between Farabundo Marti National Liberation Front (FMLN) guerrillas and Salvadoran Army troops. According to Venceremos, "an Atonal Battalion soldier was wounded in clashes with FMLN units in Berlin Jurisdiction, Usulutan Department at 1000 on 26 October." Venceremos states that during the week of 20-27 October, "the FMLN guerrilla forces inflicted a total of 27 casualties on the Army, including a sergeant and a corporal from the Cavalry Regiment." Venceremos adds that during the week, "FMLN antiaircraft units seriously damaged three Salvadoran Air Force helicopters." The same military report states that an Army tank was partially destroyed and 22 power poles and towers were blown up during the week. The FMLN also claims to have inflicted eight casualties on the 5th Military Detachment and to have damaged a helicopter on 22 October.

San Salvador DIARIO EL MUNDO on 29 October on page 7 carries a 500-word report on FMLN and Salvadoran Army activities. According to the Coprefa (Press Committee of the Armed Forces), FMLN rebels raided the town of San Francisco del Monte, Ilobasco Jurisdiction, Cabanas Department, dragged the local commander, Antonio Lainez, from his house, and shot him, despite relatives' pleas to spare his life. Coprefa adds that another guerrilla group murdered soldier Jose Luis Gonzalez Leiva, who was on leave in El Puente, Tecoluca Jurisdiction, San Vicente Department. The Coprefa report also states that the National Police discovered an FMLN arsenal in an empty lot in Mejicanos. According to the report, the authorities found the following materiel: "nine M-16 rifles, a G-3 rifle, two Soviet-made AK-47 rifles, three UZI submachine guns, a FAL submachine gun, a 12-guage shotgun, an M-79 grenade launcher, two shells for a G-3 rifle grenade launchers, two grenades for M-79 rocket launchers, two grenades for an RPG rocket launcher, and other materiel for making explosives and other devices." Finally, the Coprefa report states that Atonal Battalion troops ambushed a guerrilla column in El Corozal, San Agustin Jurisdiction, Usulutan Department. In the action, two rebels were killed and two AK-47 rifles, as well as other war materiel were confiscated.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 30 October broadcasts five minutes of military reports on clashes between FMLN guerrillas and Salvadoran Army troops. The first report from Morazan Department states that between 0600 and 1200, heavy clashes took place between FMLN guerrillas and Arce Battalion troops near (Jururo) Hill and Jocoaitique. "As a result, two casualties were inflicted on the enemy. Our units reported having no problems," Venceremos states. The report from Morazan Department adds that on that same day at 1600, "FMLN forces attacked Arce Battalion troops south of (Jururo) Hill, Jocoaitique Jurisdiction, and inflicted another wounded on the enemy, while our units reported having no problems."

Another military report states that "JR" Battalion troops from Military Detachment No. 2 suffered a casualty during an ambush carried out by FMLN units on (El Pollol) Hill, Villa Victoria Jurisdiction, Cabanas Department, at 1730 on 25 October. A report from Chalatenango states that at 1700 on 26 October, Bracamonte Battalion troops suffered a casualty when ambushed by FMLN guerrillas in Plazuela Canton, Dulce Nombre de Jesus Jurisdiction. Our forces reported having no problems," the FMLN claims.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 1 November broadcasts two minutes of military reports on clashes between FMLN guerrillas and Salvadoran Army troops. The report indicates that on the night of 30 October, Bracamonte Battalion troops were caught by surprise by FMLN fire. "Four casualties were inflicted when the troops were trying to cross the bridge over (Sumpul) River in Chalatenango Department. Three other casualties were inflicted on the troops when they were crossing La Hacienda Vieja Bridge over the (Guasilguasa) and (Sumpul) Rivers. Two more casualties were inflicted on the troops in the area of Nueva Trinidad." Another report states that FMLN forces inflicted four casualties on Bracamonte Battalion troops on 30 October in Los Pasos Canton, Nueva Trinidad Jurisdiction, Chalatenango Department.

Paris AFP in Spanish at 1504 GMT on 1 November carries a 220-word report quoting (Clandestine) Radio Farabundo Marti as saying that FMLN guerrillas inflicted 313 casualties on the Salvadoran Army in October. The FMLN claims the casualties include three officers, seven noncommissioned officers, and a radio operator. The clandestine station, which did not report suffering any casualties, said 24 helicopters were destroyed on 17 October and seven others were damaged in clashes in different parts of the country. As for sabotage against the power system, the guerrillas reported the destruction of 41 utility poles and towers. They also claim to have confiscated four M-16 rifles, a PRC-77 radio, and other materiel from the Army in October.

Rebels Claim Honduran Helicopter Enters Airspace

PA0611045390 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 1 Nov 90

[Text] We report that on the morning of 31 October a U.S.-made helicopter belonging to the Honduran Air Force penetrated Salvadoran airspace. The Honduran aircraft flew over the towns of San Fernando and La Joya in the jurisdiction of Torola in the Department of Morazan. The area that the Honduran helicopter flew over is under control of the FMLN [Farabundo Marti National Liberation Front], which confirms that the helicopter was flying counterinsurgency surveillance missions.

Guatemala

Armed Forces Communique Defines Army Role

PA0611043790 Guatemala City EL GRAFICO in Spanish 31 Oct 90 p 3

[Text] Article 244 of the Constitution of the Republic points out that the Guatemalan Army is an institution destined to maintain the independence, sovereignty, and honor of Guatemala, national integrity, peace, and the internal and external security of the country. It is defined as unique and indivisible, professional, apolitical, obedient, and nondeliberating, the Army said in a communique issued yesterday.

Article 245 of the Constitution says that the organization and functioning of armed groups not regulated by the laws of the Republic is punishable.

The Guatemalan Army, therefore, has the constitutional mission of overseeing the defense and security of the nation, and of fighting and eliminating the armed groups that operate illegally, thus protecting the population that is the innocent victim of attacks by terrorist criminals.

The subversive elements, the communique adds, maintain a struggle against the institutional order of our country. The Army of Guatemala is a guarantor of the democratic system that the opponents of the government would like to see deteriorate.

A dialogue is under way to attain a solid and lasting peace, but the subversive groups are not concerned with the legal framework of the Esquipulas II Agreement that regulates dialogue with the disarmed sectors of the political opposition. The government, however, will have to determine within this framework which is the appropriate moment for establishing that dialogue. The National Reconciliation Commission must be subject to the government's decisions for determining the conditions and dates of a possible meeting.

The Guatemalan Army recognizes the efforts that have been made for attaining peace, but makes it clear that until such conditions are established, the institution will continue complying with its mission that is ordered by the Constitution of the Republic, making the principle of national integrity prevail.

Terrorist Attack on Presidential Estate Denied

PA0611045290 Guatemala City EL GRAFICO in Spanish 5 Nov 90 p 7

[Text] The Army's Information and Press Department has denied that the presidential estate was attacked. However, its communique 147-90 admits that a terrorist action took place near the estate, as follows:

"A terrorist action took place on the highway between Palin and Esquintla, near the 'Santo Tomas' estate, early on the morning of 2 November. The unidentified terrorists threw fragmentation grenades and placed posters bearing the acronym of a clandestine organization.

"This action did not cause personal or material damage. The terrorists' intention was to call the public's attention to their presence and to interfere with the electoral process.

"Military patrols in the area were able to verify that the unidentified people only managed to throw the explosive devices and abandon the above-mentioned posters. As the area is under military surveillance, the terrorists were not able to remain there."

Nicaragua

Cosep Explains Reasons for Not Signing Agreements

PA0511151490 Managua LA PRENSA in Spanish 2 Nov 90 p 10A

["Communique" issued by the Higher Council of Private Enterprise (Cosep) in Managua on 30 October]

[Text] Cosep, for the sake of historical truth and in the name of reality, hereby informs the Nicaraguan people and friendly countries of its reasons for not signing the concerted agreement document:

1. We, as a business association, were invited and we attended without any precondition [the meetings] to find ways which would allow Nicaraguans to live amid freedom and democracy, even though it might mean sacrifice by the private sector, for the sake of Nicaragua's peace and development.

2. On this basis we made fair demands, such as for justice for the people affected; for a climate of confidence and efficiency; and for the looting of state property not to be allowed to become institutionalized. That is why we asked that Decree 11-90 be implemented and that Laws 85 and 86 be repealed.

3. We noticed, however, that as the documents were being prepared at the concerted agreement meetings, the achievements were being reduced by the other negotiating team until the next to last document was reached. This document's contents were such a step backward that we considered it impossible to sign.

4. In view of Cosep's good faith at the concerted agreement meetings, we noticed that those who really needed to agree were the government and the FNT [National Workers' Front]. The FNT had the insolence to make demands, even while it pressured the government with illegal strikes at banks, customs, and collective transportation enterprises, and even with acts of vandalism against parked cars at the Olof Palme Convention Center.

Cosep clearly noted for the record its past actions in its struggle against the Somoza and Ortega dictatorships, which are the reasons to clearly note for the record the following:

a. We believe and reaffirm that a concerted agreement with principles of justice is the true path toward fulfilling the yearnings of Nicaraguans.

b. All the organizations that comprise Cosep generally have accepted without reservation the initial concerted agreement document.

c. Cosep will support the government plan presented on 25 February 1990.

d. At no time will Cosep encourage or incite any type of strike. On the contrary, any financing or funds received in Nicaragua will be used to create jobs for the country's development and the welfare of the Nicaraguan people.

e. Cosep once again reiterates, just as the Nicaraguan Episcopal Conference has, that full respect for man's dignity must always be maintained and economic plans should never respond to schemes that place the economy above man's dignity.

Issued in Managua on 30 October 1990.

RNOC Asks President To Extend Decree 11-90

PA0511182390 Managua BARRICADA in Spanish 31 Oct 90 pp 1, 5

[Text] Members of the so-called Nicaraguan Resistance Civic Organization [RNOC], headed by Oscar Sovalbarro, alias "Ruben," have asked the president to extend Decree 11-90, which should expire in a few days, for another 180 days. In addition, they denied that Israel Galeano, alias "Franklin," represents the interests of the demobilized contras.

The RNOC members made this stand known yesterday at the end of a news conference held by the private entrepreneurs of Cosep [Higher Council of Private Enterprise], in which the members of RNOC implicitly backed Cosep's refusal to sign the concerted effort document.

Nevertheless, the ex-contras headed by "Ruben" allegedly agree with 90 percent of the points approved in the concerted effort, although they demand justice for 5,400 Nicaraguan Resistance [RN] members affected by audits and seizures.

Cosep President Gilberto Cuadra and Vice President Ramiro Gurdian unexpectedly reported to local and international media that RNOC would release a communique "because they also have every right to express their views."

Pepe Matus, a former contra better known as "El Doctor," introduced each of the board members: "Ruben," "El Tigrillo," "Wilmer," "El Invisible," "Ivan," "Emiliano," and "Tiro Al Blanco." Many of the entrepreneurs and leading businessmen eagerly applauded the introductions. "These are the RN's most representative members," said Matus; his words triggered even more applause.

"The concerted effort, which is a process, and national reconciliation, should not be imposed. The two must be governed by justice," pointed out the communique read by "Ruben."

"Ruben" denied that there is division among the so-called "commanders" and added that he was designated RNOC president and "Franklin" (Galeano) was appointed secretary general.

"We cannot speak of division. The simple truth is that 'Franklin' is another member of the board of directors. Nevertheless, he has not participated in this board of directors' latest decisions," "Ruben" said.

Sovalbarro also denied that his presence at the Cosep conference means an alliance has been struck with private entrepreneurs. "We are here, not because our views coincide with Cosep's, but because we represent RNOC and strive to have the property of the demobilized returned to them," he said.

Sovalbarro said that they do not oppose the concerted effort. "We want to make clear, however, that the government made some commitments to the RN regarding the return of seized property. 'Franklin,' however, opposes such accords," he also said.

"We have struggled to protect private property. This is why we are asking that the property seized from RN members be handed back to them. This return would be impossible, however, with 'Franklin's' stand and the abolition of Decree 11-90," he added.

"Ruben" insisted that what Galeano said on the concerted effort document represents "his personal viewpoint rather than that of the demobilized contras. In addition, he has not been authorized to participate in the National Agrarian Commission."

"It is immoral and unfair for Galeano to manipulate and use the Nicaraguan Resistance to support specific government policies. It is because of personal privileges granted to him by the Sandinists that Galeano has been speaking in the name of the demobilized contras," Sovalbarro finally pointed out.

Sovalbarro Denies Instigating Violence

PA0511162490 Managua Domestic Service in Spanish 1815 GMT 2 Nov 90

[Text] Oscar Sovalbarro, alias Commander Ruben, said today that his organization, the Nicaraguan Resistance for Civic Organization [RNOC], is not completely in disagreement with the National Agrarian Commission. Sovalbarro has denied accusations that he has instigated unlawful land takeovers in the country's northern zone. During a Radio Corporacion program, Sovalbarro said that General Humberto Ortega must be present in the National Agrarian Commission, and accused him of perpetrating acts of violence. Sovalbarro said that land takeovers are beyond his control and reflect the former rebels' concerns, since—he said—the government has not kept the agreements signed last July. Sovalbarro also stated that his group has not formed an alliance with Cosep [Higher Council of Private Enterprise]; RNOC members merely demand their rights as Nicaraguan citizens.

Ex-Contras Demand Removal of Sandinist Police

PA0611041190 Managua LA PRENSA in Spanish 29 Oct 90 pp 1, 8

[Article by Roberto Orozco B.]

[Text] Yolaina— Thousands of peasants and demobilized contras have demanded the immediate withdrawal of the Sandinist Police stationed in the development center close to Nueva Guinea and its replacement with the Rural Police, which was disarmed and dismantled by orders of the Government Ministry.

If this is not done, a serious conflict of fatal consequences could result in this community located 297 km southwest of the capital city, LA PRENSA has learned. The peasants said that if the Government Ministry does not remove the police, they will move them out themselves.

Until yesterday, some 21,000 persons, including the demobilized contras and local civilians, upheld their civic protest demanding the release of Erwin Barberena (Commander "Oscar"), who together with Commander "Chacal" and three others were captured in Juigalpa and charged with "attempting to destabilize the government."

Octavio Picado, secretary of the Political Commission of the "Southern Front," said, however, that if their demands are not satisfied, they will adopt other measures of civil protest and, "as a last resort, we will engage in armed struggle."

Many peasants and demobilized rebels led by Agustin Granados Sequeira, Commander "Conejo," decided to demonstrate after claiming that some 600 members of the Sandinist Army and the police, aboard helicopters and IFA [expansion unknown] trucks, took over the town to disarm the 60 rural policemen who were under the orders of "Oscar."

"Conejo," Picado, "Gallo," and "Halcon" have confirmed the contents of a communique issued by the ARDE [Democratic Revolutionary Alliance] "Southern Front" on 27 October, which says that "the Army and the police used helicopters and heavy artillery" when they took over the development center near Nueva Guinea.

They also confirmed that many rebels were beaten and injured by military troops and it is said that "some are even missing." This has yet, however, to be proven.

There is a tense situation in Yolaina that could explode like a time bomb at any time. Angry peasants erected barricades that obstruct the road toward La Fonseca and El Serrano.

The residents are armed with sticks and machetes "to defend themselves from any attack by the Army or the police."

In addition, they are determined to expel the Sandinist police from Los Angeles, El Verdun, Naciones Unidas, La Fonseca, El Serrano, La Providencia, La Esperanza, and Yolaina.

LA PRENSA wanted to interview Joaquin Lovo, the Government Ministry delegate to Juigalpa, but he was in Managua. The same was the case with Commander Fernando Caldera, military delegate in the region, and Commander Roger Cuadra, regional police chief.

Parliamentary Group for Soviet Friendship Founded

PA0611031790 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 1 Nov 90

[Text] The Nicaraguan Parliamentary Group of Friendship With the USSR was constituted today at the building that houses the National Assembly. Deputies of the various political parties appointed the Board of Directors of the group, which will be presided over by socialist Juan Gaitan. As their first task, the Nicaraguan parliamentary group will invite the ambassador of the USSR to exchange ideas with the representatives of the National Assembly. This invitation comes during another anniversary of the October Revolution, which led to the creation of the USSR.

Panama

Miranda's Lawyer Alleges Client 'Kidnapped'

PA0511162890 Panama City Circuito RPC Television in Spanish 2300 GMT 1 Nov 90

[Text] Otilio Miranda's lawyer has stated that he knows nothing about his client's whereabouts, adding that he is convinced that Miranda has been kidnapped. Dr. Marco Tulio Hernandez referred to the alleged statement issued by his defendant:

[Begin recording] [Hernandez] The last contact we had with our defendant, Mr. Otilio Miranda, was at 1500 on 29 October—when we arrived at the Modelo Jail for a judicial proceeding. We have not had any contact with him since. We are convinced that this is a dangerous situation for our defendant, who has been kidnapped and is being held against his will.

[Reporter] What about the statements by Otilio Miranda, implicating Attorney General Rogelio Cruz—who reportedly bribed him or had a pact with him? What can you, his lawyer, tell us about this?

[Hernandez] We have to talk to him and determine under what circumstances he said this, and why he said it, because we.... [changes thought] There is nothing shady about the legal processes that are currently underway in the courts of justice.

[Reporter] Has he said anything against Eduardo Herrera?

[Hernandez] We do not know. We know nothing about Eduardo Herrera's case. Like I said, if Miranda gave a statement in the proceedings against Eduardo Herrera, then it was a sworn statement—and you do not need a lawyer to issue a sworn statement.

[Reporter] How can you claim that he has been kidnapped while his wife has asked the Human Rights

Committee to intervene so that Otilio Miranda may turn himself in to the committee? This means that she knows where he is.

[Hernandez] She does not know where he is. She is worried about her husband's safety, her family's safety, and her own safety. She has stated, and she has said so to the Human Rights Committee, that she does now know where Otilio Miranda is right now. [end recording]

Furthermore, [Technical Judicial Police Director] Captain Leslie Loaiza gave a statement upon leaving the Attorney General's Office, where he met with Attorney General Rogelio Cruz and Otilio Miranda's lawyer, and referred to the former legislator's current status.

[Begin recording] [Loaiza] As far as I am concerned, he is a fugitive.

[Reporter] Is he still a fugitive?

[Loaiza] Yes, he is a fugitive.

[Reporter] Do you have any information about his whereabouts? Has he left the country?

[Loaiza] I wish I knew where he is.

[Reporter] Is it true that he has been kidnapped?

[Loaiza] Well, now.... [changes thought] The last contact he had with us this evening gave us the impression that he was calm. As far as I am concerned he is still a fugitive.

[Reporter] Did you meet with his lawyer just now?

[Loaiza] No.... [corrects himself] Yes, we just met with the lawyers to find out what they know about this situation. We also talked with the attorney general.

[Reporter] Did you reach an agreement with the lawyer?

[Loaiza] No, no agreement was reached. [end recording]

Assembly Calls for Debate on Treaty With U.S.

PA0511164790 Panama City LA ESTRELLA DE PANAMA in Spanish 3 Nov 90 pp A-1, A-2

[Report by James Aparicio]

[Text] The presidents of three Legislative Assembly commissions, Olimpo Saez (Foreign Relations), Arturo Vallarino (Commerce), and Milton Henriquez (Budget), said yesterday that the controversial Mutual Legal Assistance Treaty that Panama is negotiating with the United States "must pass through the Assembly's filter."

"The agreement must be either approved or rejected by the Assembly," said Saez, member of the co-governing Nationalist Republican Liberal Alliance Movement [Molirena].

Saez said that under no circumstances will the parliamentarians approve a treaty that "endangers so important a sector as the financial sector."

Henriquez said that the legislators disagree with a treaty that "puts the Panamanian banking center at a disadvantage in relation to other banking centers. Panama and the United States agree on a majority of the points. There is disagreement, however, on some points because they are not mutually beneficial."

Vallarino admitted the competence of the Panamanian negotiators, but asserted that the document should be presented at the Assembly plenum for debate.

A U.S. delegation headed by Michael Kozak, principle deputy secretary of state for inter-American affairs, this week participated in a round of talks with a Panamanian delegation headed by Deputy Foreign Minister Jose Raul Mulino.

The negotiations, which were suspended on Thursday, will be resumed on a date still to be established by the two sides.

Fragmentation Grenades Stolen From Naval Base

PA0411040990 Panama City EL SIGLO in Spanish 3 Nov 90 p 6

[Text] EL SIGLO has learned from a Southern Command intelligence source that 43 fragmentation grenades were among the weapons stolen from an armory on Rodman Naval Base two weeks ago. The source added that it is believed that those weapons could be used in terrorist actions over the next few days.

The source said that fragmentation grenades are a favorite among international terrorist groups because of their practicality and the ease with which they can be transported.

Although the perpetrators of the theft have not been identified, investigators have not ruled out the possibility that a clandestine group made up of former members of the defunct Defense Forces may be involved.

A few days ago, Judicial Technical Police Director Leslie Loaiza said that his investigations have revealed the existence of an armed group. This group is presumably planning the robberies of local banks to obtain funds for clandestine activities. This group is reportedly made up of former members of the Defense Forces and some Public Force members who are currently under investigation.

Argentina

Chilean Planes Denied Overflight to Falklands

PY0511220190 Buenos Aires DYN in Spanish 1744 GMT 5 Nov 90

[Text] Santiago, 5 Nov (REUTER)—Diplomatic sources today announced that the Argentine Government has refused a Chilean airline permission to overfly Argentine airspace en route to the Malvinas Islands on the grounds that it is a regular service that is subject to negotiations between Chile and Argentina.

The small DAP [expansion unknown] Airways company, which is headquartered in Punta Arenas in the southern tip of Chile, began contracted (charter) flights to the Malvinas Islands last April, thus establishing the first [as received] air connection with the archipelago since the war between Argentina and the United Kingdom in 1982.

The Chilean airline was scheduled to carry out its 11th flight on Sunday 4 November, transporting a commercial delegation who were returning to Puerto Argentino (Port Stanley) in the Malvinas following a two-week mission to Chile and Uruguay.

It has been reported in Puerto Argentino that the delegation got stranded in Montevideo and that the British Government had to divert a Royal Air Force airplane to the Uruguayan capital to pick up the 16 officials and businessmen.

"It is a strictly commercial problem," an Argentine diplomatic source in Santiago told REUTER. He confirmed that the flight permission filed by DAP Airways for Sunday 4 November had been refused.

"The company was carrying out occasional flights, but it then began to operate on a regular schedule," the source said.

"Because it is now a regular service, it must be included in the agreements on international air traffic between Chile and Argentina," the source added.

The diplomatic source pointed out that the Chilean company will have to apply for an air route [corredor aereo] with the Civil Aviation Authority (air transport secretariat) to overfly Argentine territory.

DAP Airways operates a Twin Otter airplane capable of carrying 19 passengers between Punta Arenas and Puerto Argentino.

The company has been carrying an increasing number of islanders, Chileans who work in the archipelago, and relief crews of the fishing fleets that operate in the area—mostly Koreans.

DAP Airways recently entered an agreement with LAN Chile [National Airline] to provide a weekly service to the Malvinas with connections in Punta Arenas to the rest of the world.

Cavallo 'More Useful' as Foreign Minister

PY0511214390 Buenos Aires TELAM in Spanish 1301 GMT 5 Nov 90

[Excerpt] Buenos Aires, 5 Nov (TELAM)—President Carlos Menem has said that [Foreign Minister] Domingo Cavallo has relayed to him his "firm conviction" that he would be "more useful in the Foreign Ministry than in the Cordoba governorship."

The head of state said, "in the eyes of many citizens in Cordoba, Cavallo would make a good candidate;" however, Menem noted: "Over the past few hours I have had a chance to talk with the foreign minister and, although he thanked me for mentioning him, he relayed to me his firm conviction that he would be more useful in the Foreign Ministry than in the Cordoba governorship." [passage omitted]

* First Drop in Menem's Popularity Since March

91SM0027A Buenos Aires SOMOS in Spanish 19 Sep 90 pp 14-15

[Article by Marcelo Canton]

[Text] "We have the latest SIDE [Secretariat for State Intelligence] poll under lock and key. The findings really have us worried," an official who sees Menem every day confessed to SOMOS. Such precautions are futile, however. The studies conducted by private analysts show the same trend: the president's popularity is once again on the decline, after having gained ground in recent months. One conclusion is clear, though it must not be taken as an absolute: the higher the inflation rate, the lower the popularity.

The extremely high popularity ratings that Carlos Menem enjoyed when he took office underwent major erosion during the early months of his term, dropping from a 74.4 percent positive rating in September to 31 percent in February, then rising to 54.5 in July, the high point of his comeback in the public eye. The story was different in August and September 1990, however.

Ups and Downs

"For the first time since March President Menem's popularity is down again," says the latest Demoskopia poll, conducted in the second half of August. "The segment of the population that does not think highly of him rose between July and August from 43 to 49 percent. As for a positive rating, 42 percent of those polled had one in July, compared to 38 percent a month later."

There is a story behind the ups and downs in the president's popularity. Esteban Lijalad, the director of Equas, gives this analysis: "In late 1988, after the nomination battles, Menem lost popularity when he surrounded himself with his party's orthodox factions, thus driving away the support of non-Peronists. He regained some later, however, when he began speaking to society as a whole. Thus, last October 63.8 percent of the population, according to our surveys, had a positive impression of him. Since he has been in power he has

had strong support from people who voted for the UCD [Democratic Center Union] and also, but bashfully, from UCR [Radical Civic Union] voters (two-thirds reject him personally but approve of his economic policy). In contrast, however, 45 to 50 percent of the people who cast Justicialist ballots are disillusioned with him and his administration."

According to the Equas polls, of the 50 percent who voted for the Justicialist Party (PJ) one-fifth would not do so again today, and half are undecided. The voter loyalty that has been characteristic of Justicialism would thus be shattered.

According to most analyses, economic austerity is mainly to blame for this development. In the view of Enrique Zuleta Puceiro, a specialist in statistical studies, however, there are several reasons. "It's true that the primary reason is that the sectors who are hardest hit by the crisis are punishing him by withdrawing their support," he asserts, "but this is not the only reason, because otherwise we couldn't explain Menem's loss of popularity in October-November 1989, when economic problems had not yet broken out."

The second cause that Zuleta Puceiro says must be borne in mind is the correlation between the president's popularity and the impression that he is or is not is control of the political process. The Rapanelli-Born feud and the initial cabinet crises hurt him. And he is now suffering the effects of "Dromigate" and the telephone-company conflict, among others.

"Third comes the conspiratorial theory, the favorite of administrations," the specialist adds. "During Alfonsin's day it was 'market blows,' and now 'newsmen are to blame.'"

Other Reasons, Other Numbers

The fourth reason is the debacle going on in the Justicialist Party in an attempt to preserve its electoral support, says Zuleta Puceiro, in other words, the loss of loyalty that was mentioned above.

"All of these factors acting together are causing the cracks in the president's image that are showing up today as a loss of popularity," says Zuleta Puceiro.

The polls conducted by SIDE (which are extremely secret, as if that could conceal the facts), Demoskopia, and Equas are not the only ones to gauge this phenomenon. The Lynch, Menendez, and Nivel polls also record it. According to these latter surveys, Menem had a positive rating of 44 percent in June, 54.5 in July, and 34.8 in August. His negative ratings, meanwhile, went from 23.8 in June to 22 in July and 32 in August.

The Same But Different

The president's rating is not the same as the rating of his administration's performance, although the two influence each other.

The Union for the New Majority Studies Center conducted a survey in the Federal Capital and Greater Buenos Aires in August to gauge people's impressions of economic policy. It shifted from positive in September 1989 to negative in the course of a year.

Some 15.3 percent of the city's residents rate the current economic policy as good. Two months ago it was 38.8 percent. The negative rating today is 51.4 percent, compared to 22.3 in July.

Demoskopia's gauge was "the degree of satisfaction with what the Menem administration has done so far." Some 68 percent of the population were either "far from" or "not at all satisfied." "A little under 30 percent were "very satisfied" and just plain "satisfied."

According to the Lynch, Menendez, and Nivel polls, the Menem administration has a predominantly negative rating, as 27 percent view it positively and 31 percent negatively. Its economic policy is clearly rejected, as just 14.3 percent rate it positively while 55.8 percent see it as negative.

* Delays in Payment of Retirement Pensions Feared

91SM0027B Buenos Aires SOMOS in Spanish 19 Sep 90 pp 16-17

[Article by Hector Simeoni and Andres Alcaraz]

[Text] The situation of retirees, the segment of society that has perhaps been hit hardest by the recession and by austerity policies, is in danger of being further complicated as a result of an administrative measure.

The Central Bank has decided to do away with the system of Social Security Payment Orders (OPP's) as of November. Until now retirees collected their pensions at banks that received these orders and, having made the cash payment, exchanged them at the Central Bank.

When this method is abolished in 60 days, the system will in theory be left to its own devices, with the resulting danger of a short circuit. This is not because, as has been claimed, the State has had to print money to make up an alleged gap between revenues and what must actually be paid out to beneficiaries. Cesar Adrogue, the director of Social Security Revenues, contends that at the moment revenues square perfectly with outlays; in fact, there is even a slight monthly surplus. There is, however, a financial lag that has to do with the way the money comes in. Revenues consist of contributions from active workers (11 percent of their wages) and from their employers (12 percent) in addition to specially earmarked taxes on public services. "The situation is easy to summarize," says Adrogue. "During the first half of each month we're short of funds, which arrive in larger amounts in the second half, when we have more than enough money."

A Dangerous Stretch

If we bear in mind that retirees collect during the first few days of each month, this situation creates a true "rough stretch" that is very difficult to get through unless someone makes it a point to do so, at least at one

juncture. Until now, banking institutions have been authorized to subtract this debt from the amount that they had to keep frozen as a minimum reserve requirement, which made the method financially viable. When the change is made, some banks might not have enough money on hand to cash the payment orders. This would delay transactions by several days, causing a truly distressing situation in a segment of society that makes barely enough money to survive.

Central Bank sources explained to SOMOS that there were two basic reasons for announcing the decision to abolish the OPP's once and for all. One is to move into line with the tight-money policy that was imposed by Erman V, which requires closing off the cash flow. They assert that last August the OPP's represented six percent of banks' total reserve requirements. This percentage was threatening to increase further owing to the relative decline in time deposits (less monetization). The second argument essayed to justify the harsh measure is barely whispered: Nestor Rapanelli had promised the International Monetary Fund back in October 1989 that the OPP's would be eliminated.

Crisis?

The Ministry of Economy insists that the OPP's wound up producing a very special sort of "call." Strictly off the record, several bankers admitted as much. Banks that had surplus OPP's sold them, logically giving up some of their nominal value, to other institutions that did not have enough cash on hand to meet the minimum reserve requirement of the Central Bank. There were no cash transactions in these cases, although the interest rate was used as a discount value. The banks that had more worrisome "red ink," however, actually sold the OPP's at a discount of between 20 and 30 percent of the annual rate.

The banks screamed bloody murder, of course, and turned to their safest recourse: trying to block the change by scaring retirees. It was learned in utmost confidentiality that Saul Bouer and the undersecretary of social security, Santiago de Estrada, received the representatives of three largest associations of bank employees: ABRA [Banking Association of the Republic of Argentina] (foreign banks), ADEBA [Association of Argentine Banks] (the "big" domestic ones), and FEBANCOOP (cooperatives). As this edition went to press, certain moves were under study:

- to consolidate the floating debt that eliminating the OPP's would leave by having the Ministry of Economy pay out Bonex '89's or a government security similar to the one that government suppliers will receive. The bankers did not like this too much.
- The Ministry of Economy was studying flows of revenues and outlays to see to it that social-security australes are disbursed to the banks that pay retirees first, in order to prevent rough stretches.

Bolivia

Iraqi Envoy Briefs Foreign Minister on Gulf

PY0611015090 La Paz La Red Panamericana in Spanish 0000 GMT 6 Nov 90

[Text] Qays Tawfiq al-Mukhtar, the Iraqi ambassador to Bolivia, visited acting Foreign Minister Jorge Soruco. Al-Mukhtar briefed Soruco on the Iraqi Government's position on the conflict in the Persian Gulf. The diplomat arrived in our country from Brasilia, where the Iraqi mission for this area is based.

In remarks to Panamericana, al-Mukhtar pointed out that Kuwait is historically linked to Iraq and that the occupation that took place was in keeping with those interests. Al-Mukhtar said that vis-a-vis the belligerence of the nations led by the United States, which is seeking confrontations that could have extremely serious consequences for world peace, Iraq wants peace.

Qays Tawfiq al-Mukhtar reported that the North Americans have rejected all of Iraq's negotiation efforts and that George Bush is conducting a policy of aggression against the Iraqi people. Al-Mukhtar mentioned the economic blockade and said that Iraqi children are suffering from the consequences of that blockade and do not even have milk for sustenance. The United States actually wants to make war on Iraq, he said. We are prepared for this, al-Mukhtar noted. Above all, we want to negotiate peace, he emphasized.

France Pardons One-Third of Foreign Debt

PY0611024390 Madrid EFE in Spanish 2144 GMT 5 Nov 90

[Text] Paris, 5 Nov (EFE)—Today France pardoned $10 million for Bolivia, which represents one-third of its foreign debt with the French Government.

The agreement was signed in Paris today by Bolivian Planning and Coordination Minister Enrique Garcia Rodriguez and the director of the French Treasury, Jean Claude Trichet.

The remainder of Bolivia's debt with France, which amounts to $20 million, has been rescheduled for payment over 25 years, with a 14-year grace period.

Garcia Rodriguez told EFE that Bolivia has thus become the first country to receive from the Paris Club, the organization comprising all of the creditor countries, the treatment agreed on during the "summit" in Toronto (Canada) to handle the problem of the developing countries' foreign debt.

Last year in Toronto, the seven most developed countries in the world agreed on three formulas to solve the foreign debt problem. Bolivia has now benefited from implementation of the first of these three formulas.

Bolivia learned about this possibility at the Paris Club last April, and the bilateral agreement signed today with France represents the first step in this direction.

Garcia Rodriguez told EFE that the Bolivian foreign debt amounts to about $3.5 billion and its annual servicing, about $300 million, represents approximately 35 percent of the country's total exports.

Brazil

Court Orders U.S. Nuclear Submarine To Leave

PY0511181190 Rio de Janeiro O GLOBO in Portuguese 4 Nov 90 p 2

[Text] Recife—Roberto Wanderley, the judge on duty at the First Federal Jurisdiction Court, in the predawn hours of yesterday morning granted a preliminary injunction on the request filed by the Nature Defense Association of Pernambuco to the effect that the U.S. nuclear-powered submarine USS Greeling must leave port. This submarine is participating in the Unitas Task Force. The other participating units are now docked in the Recife port. Following this judge's ruling, the submarine will have to leave the 200-mile Brazilian territorial waters.

The judge also ordered that if the submarine does not comply with the injunction, a fine of 10 million cruzeiros per day will be levied. This money will go to finance environmental protection projects.

This is the first time that a Brazilian judge has ordered a foreign ship to leave Brazilian waters on the grounds that it is powered by nuclear energy. Judge Wanderley granted this preliminary injunction after Francisco Alves dos Santos, the Recife Second Federal Jurisdiction Court judge, turned down the request by the Nature Defense Association of Pernambuco that the submarine leave Brazilian territorial waters.

On the morning of 2 November, Lawyer Luis Dario da Silva filed a petition for reconsideration which was adjudicated in the predawn hours of yesterday morning by the on-duty judge at the First Federal Jurisdiction Court. He ordered that the U.S. nuclear-powered submarine USS Greeling must leave Brazilian waters.

The submarine is anchored five miles off the port of Recife and, according the Ports Captaincy, it is in violation of international safety norms that ban nuclear-powered ships from docking at commercial ports [sentence as published]. This was not, however, sufficient for the ecologists, who went to court against the presence of the submarine in Recife and gained the preliminary injunction ordering it to move out.

The submarine remained at anchor while the task force commanders received the preliminary injunction on the fleet flag ship during the predawn hours yesterday. They are studying the possibility of filing an appeal against Judge Wanderley's decision, thereby allowing the U.S. submarine to remain in Brazilian waters.

Government Guarantees on Iraq Contracts Viewed

PY0511120090 Rio de Janeiro O GLOBO in Portuguese 4 Nov 90 p 12

[Text] Brasilia—Contrary to statements made by officials, the Brazilian Government did indeed guarantee all the contracts signed by Brazilian private companies with Iraq to obtain the release of the 256 Brazilian citizens that were being held in that country. The Brazilian Government also signed a separate agreement with Iraq for the release of the Brazilian hostages. The negotiations did not require an immediate disbursement of money, but one could be made if the promise made by Ambassador Paulo Tarso Flecha de Lima, chief of the special Brazilian mission to Baghdad, is not met—that is, the Brazilian companies that were in Iraq must resume their work as soon as the situation in the Persian Gulf returns to normal.

The Brazilian Government's concern was centered not only on the Brazilian hostages but also on a commitment to Iraq assumed by the previous Brazilian administration. This past February the same Paulo Tarso, who was then secretary general of Itamaraty, signed a letter-contract with Iraq through which the Brazilian Government guaranteed that Brazilian companies would continue their work in Iraq until 22 September 1990. This deal was made because work by Brazilian companies had been practically suspended since August 1989 because of a lack of funds.

The resumption of the work begun by the Mendes Junior Construction Company—an irrigation project known as Siphon and the Expressway road—depended on the extension of a $257-million loan granted to Iraq by the Bank of Brasil. If the loan extension was not granted, the Brazilian Government would have had to pay several fines because the contracts would have been interrupted.

Under the risk of this obligation—the fines for Mendes Junior alone would have totaled $700 million—the government's concern focused on the fatal date [22 September 1990]. The greatest moment of tension occurred when the Volkswagen company unilaterally broke its contracts with Iraqi public companies just as Iraq was saying that Brazilian employees with work contracts could not leave Iraq. This means that the Brazilian Government would have had to pay the fines because it had also guaranteed former contracts, and the sale of Volkswagen cars and spare parts was conducted through Interbras [Petrobras International Trade, Inc.].

Given Volkswagen's attitude and the approaching 22 September deadline, the Brazilian Government sent to Baghdad the man responsible for the negotiations with Iraq, Ambassador Paulo Tarso, to carry out a difficult task, as he himself admitted. Besides bringing the Brazilians back home, he had the difficult mission of preventing or minimizing the future expenses the Brazilian Government would have to pay. The ambassador's first mission was to halt Volkswagen's decision to break its contract with Iraq. Known for his negotiating ability, Paulo Tarso promised Saddam Husayn's government

that Volkswagen had temporarily suspended its contracts and that it would return to work in Iraq as soon as the conflict ended.

His second task was to convince Iraq of the impossibility of paying $257 million to that country as long as UN Resolution 661, which establishes a trade embargo on Iraq, remained in effect. The $257-million remittance had already been authorized by Economy Minister Zelia Cardoso de Mello. Without the $257-million loan—of which $190 million was for the Expressway project and $85 million for the Siphon work—the Mendes Junior Company could not continue the work. Paulo Tarso claimed that Brazil, as a member of the United Nations, could not break the trade blockade. He thus managed to save the Brazilian Government from failing to comply with the contracts by 22 September.

The whole operation was mounted by Itamaraty with the authorization of Planalto Palace [Government House]. "This was not decided by us," a Brazilian Foreign Ministry source told O GLOBO.

The government decided to guarantee the contracts in the first place because Brazilian companies do not have access to the higher levels of the Iraqi Government, and all contracts signed with Iraq since 1978, the year in which Brazil began its rapprochement policy with that country, were the result of negotiations between the two governments through a mixed Brazil-Iraq committee. The government also decided to guarantee the contracts because it believes it will never have to pay any fine for the contracts because the Brazilian companies are interested in returning to Iraq when the Middle East conflict is over. The Mendes Junior Company, for instance, has plans to build a railroad between Baghdad and Basra.

Coimbra on Payments for Contracts

PY0511152590 Rio de Janeiro O GLOBO in Portuguese 4 Nov 90 p 13

[Text] Brasilia—Secretary General of the Presidency Marcos Coimbra has confirmed that the release of Brazilians from Iraq involved the payment of fines to the Iraqi Government. But the payment, according to Coimbra, will be made by the Mendes Junior Construction Company and not by the government. "Mendes Junior signed the bill. I do not know whether it has already been paid in cash [preceding word in English] (payment with money) or if a commitment has been made to pay in the future," Coimbra told O GLOBO. He did not specify the amount of the fine.

Coimbra noted that the government facilitated negotiations with Iraqi officials because the main goal was to get the Brazilians who were being held out of the country, but without paying anything.

"As far as I know, the government has not assumed any commitment whatsoever," Coimbra said.

Military Household Chief Agenor Homem de Carvalho would only say that he believed that no fines had been levied for the suspension of contracts between private enterprises and Iraqi state enterprises.

Foreign Minister Francisco Rezek admitted that the government endorsed Brazilian enterprises' commitment to Iraqi state companies to continue the projects when the Persian Gulf crisis is over. Rezek said the endorsement makes good sense because the companies will undoubtedly resume their work in Iraq when the conflict in the region is over. He reaffirmed that the government will not finance private undertakings.

One of the most obvious characteristics of the current government is that it will not put money up for private undertakings. The government will not sacrifice one of the most solid bases of its policy, which has to do with what falls under the people's sphere and what falls under the private sphere, the minister told O GLOBO.

The foreign minister said that the only goodwill gesture the government had given to the Mendes Junior Construction Company is included in the letter it sent to the enterprise during the negotiations with Iraq. Rezek said in the letter that he had no doubt that any international court would recognize the circumstances that forced Brazilian companies to discontinue the projects in Iraq.

According to Itamaraty, the fact that the government has been "witness" to agreements reached between two parties does not mean that it has approved the contracts and assumed future risks.

Rezek Denies Hostage Deal

PY0511223090 Madrid EFE in English 2149 GMT 5 Nov 90

[Text] Brasilia, Nov 5 (EFE)—Brazilian Foreign Minister Francisco Rezek today denied that his government made secret deals with Iraq in order to secure the release last month of some 300 Brazilian hostages.

He said the Brazilian daily O GLOBO confused the issue in its report Sunday which claimed the government agreed to pay any fines resulting from the failure of Brazilian companies to complete work in Iraq which was interrupted at the outbreak of the Gulf crisis.

Rezek said the government made no additional deals with Iraq, which only asked for guarantees that Brazilian firms would complete the contracts once the crisis was over. He added that there was nothing extraordinary about giving that guarantee.

Last month, most of the 500 Brazilian hostages held in Iraq were released after intense diplomatic efforts by the government of President Fernado Collor de Mello.

Their release was sealed after a high-level Brazilian team, headed by ambassador to London, Paulo Tarso Flecha de Lima, met Iraqi officials.

In its report Sunday, O GLOBO quoted the secretary of the presidency, Marcos Coimbra, as saying that the release of the hostages did involve an agreement over fines for broken contracts, but he denied that the government had undertaken to pay those fines.

50 Killed Over 'Day of the Dead' Holiday Weekend

PY0611104090 Madrid EFE in English 1701 GMT 5 Nov 90

[Text] Rio de Janeiro, Nov 5 (EFE)—Fifty people were murdered in the Brazilian city of Rio de Janeiro during the Day of the Dead holiday weekend, city officials said Monday.

Police registered 21 murders just on Friday, the Day of the Dead which is a holiday in many Roman Catholic countries.

The Brazilian daily Jornal do Brasil attributed increased violence during holiday weekends to relaxed police vigilance.

Last February, 68 murders were registered during a holiday weekend, the highest number this year.

The sprawling slums of Rio de Janeiro are the most violent areas. Murder victims tend to be unemployed people, delinquents or children often shot dead by death squads intent on stamping out youth street crime.

Last week local police said they had located a mass grave where the remains of more than 100 children were dumped after they had been killed by the death squads.

The Civil Police Secretary said that 1,824 murders were committed in Rio over the first six months of this year and statistics show that the vast majority of the killings remain unsolved.

70 Killed by Death Squads This Year in Rio

PY0511182090 Madrid EFE in English 1701 GMT 5 Nov 90

[Text] Rio de Janeiro, Nov 4 (EFE)—The murder of a woman and two men over the weekend brought to at least 70 the number of people killed this year by death squads in the sprawling slums of the Brazilian city of Rio de Janeiro, the daily JORNAL DO BRASIL reported 4 November.

The latest victims were gunned down in a shantytown early on 3 November by three armed men.

The murders follow the killing the previous weekend of three people by a gang of 20 armed men in a northern neighborhood of Rio.

Witnesses said four members of the gang wore police uniforms.

Police said on 29 October that they had located a mass grave in the Baixada Fluminense shantytown where the remains of more than 100 children were dumped after they had been killed by death squads intent on stamping out youth street crime.

London-based human rights group Amnesty International published a report in September claiming that some 500 homeless children were killed by death squads linked to the police in 1989.

Violent crime is rampant in the city and the Rio de Janeiro Federal University said in a report two weeks ago that 91,000 people had been murdered in the past decade in Rio.

Chile

Investigation Under Way in Vina del Mar Bombing

PY0511134290 Santiago Domestic Service in Spanish 1000 GMT 5 Nov 90

[Text] Special police groups are conducting an intense investigation to track down the terrorists who set off a bomb in a restaurant in Vina del Mar just before midnight on 4 November. The explosion injured seven people and caused heavy damage to three vehicles, four stores, and two apartments.

The attack, which has been described as very unusual in Chile, occurred shortly before midnight on 4 November at the Max Moritz Restaurant at 4 Lima Lane in downtown Vina del Mar.

The bomb, which was made up 400 grams of ammonium gelignite and shrapnel, went off under a stairway near the main door of the restaurant. The explosion injured two crewmen from the U.S. aircraft carrier Abraham Lincoln, three British tourists, and two waitresses.

The U.S. sailors, identified as Wilkins Shannon and Glenn Michael Keawe, were slightly injured. They were taken to their ship. British tourists William Rogers Sharpley, Milwart Titley Madeus, and Nicholas David Allan Ford were admitted to the (?Gustavo Frigues) Hospital. It has been reported that Sharply was seriously injured in the explosion, which also caused minor injuries to waitresses Vanessa Santis Nieme and Mairlies Pelican Neumann.

The police have not released any more details on the attack, but it has been learned that there were approximately 35 people in the restaurant, including manager (Claude Tinner), when the terrorists detonated the bomb.

(Tinner) said that the explosion caused damage totaling more than 3 million pesos. The police reported that three vehicles parked near the restaurant were damaged in the explosion, as were a restaurant, a pizza shop, a clothes store, a brokerage, and two apartments nearby.

The Carabineros said the case will be placed at the disposal of the Vina del Mar criminal court in the next few hours.

Although no more details have been provided on the attack, it has been learned that the terrorists were seen as they placed the bomb under the stairs of the restaurant. It has also been reported that witnesses are being questioned to help develop an identikit on the terrorists.

No terrorist organization has yet claimed responsibility for the attack, which injured seven people and caused considerable material damage in Vina del Mar.

Defense Minister Rojas on Promotions, Bombing

PY0511234490 Santiago Domestic Service in Spanish 2200 GMT 5 Nov 90

[Excerpt] [passage omitted] Defense Minister Patricio Rojas has confirmed that President Patricio Aylwin has signed the decrees on Army and Navy promotions and retirements. These decrees have since been sent to the office of the comptroller general of the Republic. Later, Rojas reported on the proposals for promotions, retirements, and assignments that General Fernando Matthei, the Chilean Air Force commander in chief, delivered to him. In this regard, Rojas indicated that these proposals must be reviewed by President Aylwin, who will make the final decision.

In conclusion, the minister rejected the Vina del Mar attack in which several people, including three [number as heard] seamen from the aircraft carrier Abraham Lincoln were injured. He pointed out that the aircraft carrier's officials have not filed any claim.

Matthei Discusses Proposed Air Force Promotions

PY0611023990 Santiago Domestic Service in Spanish 2200 GMT 5 Nov 90

[Excerpts] General Fernando Matthei Aubel, the Chilean Air Force commander in chief, has delivered an official note to Defense Minister Patricio Rojas that is addressed to the president of the Republic; it contains the proposals on promotions in the Air Force. The meeting lasted more than two hours. At the end of the meeting, Gen. Matthei disclosed some details.

[Begin recording] [Matthei] Well, we have been talking with the minister for several days—informally, of course—about promotions and retirements in the Air Force command and about the high command configuration for next year. Today, I delivered an official note to him for the president of the Republic with which all this becomes formal.

[Reporter] How many promotions are contemplated in the new high command?

[Matthei] Three, three promotions.

[Reporter] [Question indistinct]?

[Matthei] Well, obviously, there are changes in positions; three will retire, and three will be promoted. There are also internal changes. Some will move from one position to another position. [end recording] [passage omitted]

Asked about the regular course for promotions and when a decision could be made, Gen. Matthei said that it will be whenever President Aylwin decides on the matter.

[Begin recording] [Matthei] Well, when the president has made a decision on this.

[Reporter] [Question indistinct]?

[Matthei] No, there is no deadline for him to decide on this. There is no hurry, either. As you may remember, we have always implemented promotions and retirements in the Air Force very calmly. They have usually been implemented around December or January; therefore, we are not in a hurry at all.

[Reporter] Do you have any objections, General?

[Matthei] Pardon?

[Reporter] Objections [words indistinct]?

[Matthei] Well, I only raised a very well-studied proposal. The final political decision, however, must be made by the president. This is very clearly established by the Constitution and by the law. Therefore, one can say man proposes, and God delivers.

[Reporter] [Words indistinct] a political decision, General?

[Matthei] It must be so. The president of the Republic has always been the supreme commander of the Armed Forces. He has the power to (?reorganize) them and command them. It has always been this way and there have never been any doubts in this respect; therefore....

[Reporter, interrupting] Could there be any objections for political reasons?

[Matthei] Of course. The president will not give us any reasons. The president will say yes or no, and I will approve or I disapprove. [end recording]

Gen. Matthei refused to release the names of the officers who will retire and who will be promoted.

Official Injured in Explosion on Peruvian Border

PY0511174590 Santiago Domestic Service in Spanish 1000 GMT 5 Nov 90

[Excerpts] Border and Limits National Director (Luis Vinter) [as heard] has been taken from Arica to Santiago in the past few hours. He was seriously injured when an antitank mine exploded [on the border with Peru] near La Concordia.

Ambassador (Vinter) was one of five people injured in the serious accident. Both of (Vinter)'s legs had to be amputated a few hours after the accident because of his serious injuries. Engineer (Rudy Smith) and driver (Onorindo Contreras) were also seriously injured in the accident. Two other people have been released from the (Juan Noe) Hospital.

A few hours before (Vinter) was taken to Santiago, Doctor Claudio Mendez, director of the (Juan Noe) Hospital reported on the condition of Ambassador (Vinter) and Engineer (Smith). [passage omitted]

Foreign Minister Enrique Silva Cimma has said that Ambassador Javier Illanes is charged with investigating the incident that occurred on the border with Peru. He added that talks are being held with Defense Minister Patricio Rojas to try to clarify the serious incident.

Military Men Reportedly Sold Weapons to Groups

PY0511224190 Madrid EFE in Spanish 2237 GMT 4 Nov 90

[Text] Santiago de Chile, 4 Nov (EFE)—The Santiago newspaper LA NACION today reported that secret police agents of the former Chilean military regime (1973-1990) sold seized weapons to leftist groups.

In a report on the scandal of the illegal financial companies, in which the Army institutions are involved, the newspaper cites sources "very close to the Army" who confirm that people close to the Armed Forces sold weapons to members of the ultra-leftist Manuel Rodriguez Patriotic Front [FPMR].

The progovernment newspaper LA NACION reports that the weapons that were sold, including Soviet AKA rifles, were among those seized in 1986 in the Carrizal Bajo zone of northern Chile. At that time huge arsenals that had been smuggled into the country by FPMR members were discovered.

The newspaper reports that the contacts were made in an apartment that was disguised as a general advisory office in downtown Santiago . The contact was a former agent of the National Information Center [CNI], the secret police under the regime of General Pinochet, who is the current Army commander in chief.

The report released by LA NACION coincides with one published recently by the newspaper LA TERCERA, which cites "a former military man," on the sale of weapons to the leftist groups that struggled against Pinochet's regime.

A lawyer, who asked not to be identified but who is linked to the legal process against the clandestine financial companies, told EFE that the arms traffic could have been a source of income for one of these organizations.

La Cutufa, which involved Army members, is the biggest illegal financial company to have been discovered by the authorities.

Those in charge of investigating the La Cutufa affair are trying to clarify the origin of its resources. The possibility has not been ruled out that these resources may stem from fiscal funds or from money obtained from illegal activities. La Cutufa offered its savers monthly interests of up to 20 percent.

Margarita Isabel Pizarro this week confirmed that she had seen her husband's partner Patricio Castro, a former CNI agent, stuffing ancient mummies from northern Chile with cocaine. The mummies were then exported to the United States and Europe through one of his companies. Margarita Isabel Pizarro is the widow of businessman Silvio Aurelio Sichel, who was murdered when he tried to withdraw more than $1 million that he had invested in La Cutufa.

Castro escaped from Chile with an undetermined amount of money, and according to the Chilean press he has been recently seen in Paraguay, where special agents are searching for him.

The scandal over La Cutufa has caused 16 senior Army officers, including four generals, to retire. According to political experts this incident has stirred up a difficult situation even for Gen. Pinochet. Three other illegal financial companies that involve Army institutions have also been dismantled. The activities of these organizations, which are known as La Bicicleta, La Tijera, and Progreso, have led many people to file court charges of fraud and of issuing bad bank checks.

The poor control on illegal financial companies has caused their proliferation. Some 500 illegal financial companies are operating in Santiago, most of them openly offering their services through advertisements in the press.

Foxley Obtains Loan From Netherlands Bank

PY0611023590 Santiago Radio Chilena Network in Spanish 1600 GMT 5 Nov 90

[Summary] Finance Minister Alejandro Foxley has signed an agreement with NMB [expansion unknown] Postbank of the Netherlands for a $20 million credit that will be earmarked for social programs. The first $10 million will be disbursed on 15 November and the remaining $10 million on 15 December.

Colombia

Text of Extraditables' Communique Published

PA0611032290 Bogota EL NUEVO SIGLO in Spanish 31 Oct 90 p 8

[Text] The Extraditables on 30 October claimed responsibility for the kidnapping of six journalists who have been missing for the past 62 days. They also accused Colonel Oscar Pelaez Carmona, director of the Directorate of Judicial Police and Investigations, Dijin, of having executed Luis Gaviria, cousin of Pablo Escobar.

They also accused the Dijin of planning the kidnapping of people close to the Medellin Cartel to exchange them for the journalists. They warned that if this occurs, they will execute the hostages.

The following is the message sent by the drug traffickers to the public:

"From The Extraditables to the Colombian people:

"1. We publicly admit that we are holding the missing journalists.

"2. We are holding them as a response to the violation of all our rights.

"3. Companero Luis Hernando Gaviria was murdered on orders of Col. Oscar Pelaez, responsible for all the massacres of innocent young people in Medellin.

"4. Companero Gaviria Gomez was cruelly tortured for six hours in front of his entire family and in his own house before he was murdered, even though he had no

record, no weapons were in his possession, and no arrest warrant had been issued against him.

"5. We know about the plan headed by the Dijin director to kidnap one of our relatives to exchange him for the journalists.

"6. All the members of our families are willing to sacrifice themselves for our cause.

"7. If such an action takes place, our response will be immediate, and we will execute the journalists.

"8. All the relatives of those who participate in such an action will receive a similar treatment.

"9. Our response will also include attacks on the families of the political leaders who participate in and support the criminal and genocidal police.

"The Extraditables

"Dated 29 October 1990."

Ambassador Says Venezuelan Relations 'Excellent'

PA0511175590 Bogota Radio Cadena Nacional in Spanish 1200 GMT 5 Nov 90

[Text] Colombian Ambassador to Venezuela Noemi Sanin Posada, who recently presented her credentials in Caracas, said that she was very well received amid great friendship. When this station asked her about Colombian and Venezuelan relations, she said that they could not be better and that the governments of President Gaviria and Carlos Andres Perez have said that during this time, it is necessary to live united and in harmony, complementing each others' economies through deep friendship, because regionalism and axis are a sign of the times. Countries need to join forces to face the economy's internationalization and the opening of the world. Venezuela and Colombia are examples of the pragmatic ways this process can be advanced, the diplomat reiterated. She said that the agenda is ready for the meeting between the two presidents on 11 November in the border town of San Cristobal.

Meanwhile, Venezuelan Ambassador to Colombia Fernando Gerbasi said that the excellent Colombian-Venezuelan relations prevent him from remembering the differences that existed during the Virgilio Barco and Jaime Lusinchi administrations.

Guerrillas Kill, Wound Several Policemen

PA0511165690 Bogota Radio Cadena Nacional in Spanish 1200 GMT 5 Nov 90

[Text] Bogota—The Defense Ministry today reported that combined Army and police personnel have stepped up combing operations to try to locate the guerrillas who ambushed a police patrol, which left six policemen dead and five seriously wounded. The Army report indicates that Revolutionary Armed Forces of Colombia [FARC] guerrillas ambushed the patrol at El Totumo, between the municipalities of Puli and San Juan de Rioseco, in western Cundinamarca Department.

The guerrillas used dynamite to ambush the policemen who were on routine patrol, the official report says. The report goes on to explain that once the convoy was blown up, the guerrillas, who had short- and long-range weapons, picked off the remaining policemen. The National Police directorate identified the dead as Corporal Adan Chavez Fuentes and policemen Carlos Diaz Aguirre, Leon Diego Bedoya Castaneda, Rolando Lugo Montealegre, Fernando Patino Montoya, and Angel Custodio Munoz Munoz. The wounded, who at this moment are being treated at the police clinic in Bogota, are policemen Orlando Davila Carmona, Diego Pavien Castaneda, Henry Velasquez Manrique, John Jairo Sanchez, and Carlos Castro Martinez.

The official bulletin also says that Army of National Liberation [ELN] guerrillas murdered policeman Felix Palacio and wounded his companion Jesus Henry Angulo Gonzalez at the Segovia Muncipality, Antioquia Department.

Officer Charged With Neglect at Justice Building

PA0511200490 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 3 Nov 90

[Text] The Attorney General's Office today ordered the dismissal of General Jesus Armando Arias Cabrales, arguing that he neglected the civilian population's defense during the occupation of the justice building on 6 and 7 November in 1985.

Five years later, the flames that rose from the justice building are still singeing the officers who fought there against guerrillas who violently stormed the building. The investigation conducted by the Attorney General's Office concluded that Gen. Arias Cabrales, commander of the operation, focused only on defeating the guerrillas while neglecting to defend the lives of innocent civilians.

The parts of the Attorney General's Office report that have been disclosed allude to such incidents as the indiscriminate attack on the fourth floor, where the chief justice and most of the other justices were killed. A fragile wooden and glass structure became a combat site where there was no possibility of survival for the civilians. Another incident was the attack on the bathroom where the last survivors, under guerrilla custody, sought refuge on the morning of 7 November. Most of these survivors were killed in this indiscriminate attack, although the rules and procedures to which Arias Cabrales was subjected demanded a previous dialogue, an agreement on conditions to save the civilians, and the use of persuasion.

The Attorney General's Office is also requesting punishment for Colonel Edilberto Sanchez, who on that day was in charge of the Florero building where the survivors were staying. Some of the survivors disappeared and others reported that they had been mistreated. The Attorney General's Office states that no circumstance whatsoever can justify human rights violations by the authorities.

Peru

Fujimori Discusses Economy, Antidrug Effort

PY0511163090 Lima Television Peruana in Spanish 1204 GMT 5 Nov 90

[Address to the nation by President Alberto Fujimori upon the completion of his first 100 days in office from Lima on 4 November—recorded; video indicates editing]

[Text] These past days have been a difficult test for all Peruvians, especially the poor. The most difficult stage has passed, but we still have a long way to go to consolidate the effective restructuring of the economy, without which we run the risk of returning to the past.

The Peruvian people may rest assured, today more than ever, that all this sacrifice will not be in vain, that all this sacrifice will not serve to maintain privileges, immorality, or inefficiency. The main objective of the stabilization program we are implementing has been and continues to be the elimination of inflation, which we will achieve by balancing relative prices and beginning a long process of reform to attain a more dynamic, efficient, and fair economy.

This is why, in addition to our initial measures, we have decided to decontrol the different prices in the economy, including exchange rates. We have also decided to eliminate the prohibition on imports and the Central Bank's nonguaranteed financing of the National Treasury and to streamline fiscal accounts to avoid deficits, which are the primary causes of inflation.

Considering the impact of these measures on the poorest sectors of society, my government has decided to implement the Social Emergency Program with the cooperation of private and religious organizations. These groups will help those Peruvians who are most harmed by the crisis we are trying to overcome as much as possible.

We will combat, as we promised, the speculation and oligopolist interventions that distort free competition in the country. We will enforce greater clarity in price setting and decidedly defend the popular economy.

By the beginning of next year we will introduce a tax reform aimed at simplifying and facilitating the current tax system. It will impose higher taxes on the people who have the most and make everyone participate in the national effort. It will also establish an efficient and modern administration to effectively operate the new structure.

We also plan to carry out an administrative reform in the public sector. Some public companies will be privatized within this framework. Based on our studies, we have also taken concrete actions to reform the national finance system to strengthen, capitalize, and improve the profitability of our financial institutions.

When we participated in the World Bank and IMF annual assembly in September, we made contact with an important group of developed countries—not to mention multilateral organizations like the Inter-American Development Bank [IDB] and the Andean Reserve Fund—which are interested in strengthening financial and trade ties with Peru.

The second part of this effort will take place at the end of this month, when Peru announces its economic program to the IMF. All participants in the international financial system consider this international organization an impartial referee in any economic reform process undertaken by any of its country members. Peru is a member of the IMF, and this is why the IMF's comments and conclusions on the success of our program are so important. A positive recommendation from the IMF will make future negotiations with our creditors much more feasible.

As the next step, in January we plan to meet with the so-called Paris Club to discuss the refinancing of the Peruvian debt with several Western countries; Peru must first reach a concrete agreement with the IMF for these talks to take place. In February we will meet with the Paris Consulting Group to review possible financing for a specific list of investment projects that we will submit for their consideration. In March we will begin talks with international banks on refinancing Peru's debt to those institutions.

The Peruvian Government's proposal for the effective suppression of drug trafficking includes our program for coca crop replacement and the granting of legal property titles to peasants for their plots of land. Our proposal is not opposed to President Bush's Initiative for the Americas, the Brady Plan, or even the Cartagena Agreement of February 1990. We think that the U.S. Government, which shares our determination to fight to the end and defeat the international crime represented by the drug trafficking cartels, understands us.

The EC has gone ahead of the United States in this field with its approval of an unprecedented measure for Andean countries through which it will lower import taxes on several Andean countries' products to zero over a four-year period. This measure is clearly aimed at cooperating with our special antidrug trafficking programs by encouraging peasants to plant crops other than coca.

To finish with the farming sector, I want to inform the country that we will proclaim a law that will eliminate the monopoly of ENCI [National Enterprise for Industrial Marketing] on the importation of oils and fats. We expect competition in this sector to increase and for prices for these products for national consumers to go down.

Regarding the energy and mines sector, I must state that the situation at Petroperu [State Petroleum Agency] is in a clear process of recovery. Its income has increased, it is paying for its most important operation needs, and new prices have managed to reorganize fuel consumption. Petroperu has begun talks to solve the problem created by the expropriation of the Velco [expansion unknown]

company, and it is concluding negotiations for a concession contract for the exploitation of plot number 50 of the Petromineros company.

I hereby announce that we will maintain a firm policy to end the absurd privileges, immorality, bureaucracy, and inefficiency that make Peruvian ports the least competitive in the world.

Regarding the air and water transportation companies, we will adopt drastic measures to capitalize these companies and allow them to become internationally competitive so they may continue to operate profitably.

The population policy that the Health Ministry will conduct—and in which it will play a prominent role through an education campaign, the dissemination of general guidelines, and the provision of funds and services which will allow women or couples to choose the most appropriate contraception method in full exercise of their freedom—is aimed at facing with decision, courage, and foresight a policy that has been quietly endorsed by all previous governments, but which they never had the courage to define and admit.

National education is the cornerstone for the future development of Peru. This is why we established the School Defends Life program, which aides 1.2 million children by giving them free meals. Our complementary actions are aimed at bolstering the morale of the many teachers and public education personnel and gradually incorporating civilian society into our children's education.

To conclude, I want to restate my profound thanks to the real subjects of this drama: the Peruvian people. I want to restate my faith in the destiny of our motherland, and I want to ask for solidarity and strength so that together we will be able to move Peru out of the collapse and misery into which it has fallen.

Views Economy With IDB Chief

PY0611024190 Lima Television Peruana in Spanish 1800 GMT 5 Nov 90

[Text] President Alberto Fujimori met with IDB [Inter-American Development Bank] President Enrique Iglesias this morning at Government House. The chief of state outlined the dramatic economic situation that is being experienced by the country and the measures that have been implemented to overcome the crisis. Just before his meeting with the president, Iglesias stated that there are very good prospects that international aid will arrive quickly in Peru.

Tax Incentives for Business Sector Implemented

PY0511211990 Lima Television Peruana in Spanish 1800 GMT 5 Nov 90

[Excerpt] Just 100 days into his term of office, President Alberto Fujimori has announced the promulgation of the Defense of Free Competition Law. This law will eliminate speculation and oligopolies, factors that increase and distort the prices of products that make up the family basket. This law will establish the necessary conditions that will influence the various economic transactions, resulting in lower prices.

Under this new law, the National Enterprise for the Commercialization of Products, (ENSI), will cease to have the monopoly to import fats, oils, and other products. This will allow private and state enterprises to operate in the sector.

The chief of state also announced the elimination of the surcharge on imports and a reduction of the selective consumption tax that is imposed on numerous products. These changes come within the framework of new legal resolutions that will permit a reform of the foreign trade sector and grant incentives for the national industrial sector and businessmen in general. [passage omitted]

Security Patrol Members Injured by Terrorists

PY0511204990 Madrid EFE in Spanish 2138 GMT 4 Nov 90

[Text] Ayacucho (Peru), 4 Nov (EFE)—Police sources have reported that a group of Shining Path terrorists today hurled a grenade at a Peruvian security forces patrol in Ayacucho. The blast seriously injured at least 13 men.

The attack occurred near the Plaza de Armas in Ayacucho. The police believe that it was perpetrated by members of the pro-Maoist Shining Path terrorist organization.

Six Army soldiers, six policemen, and an Air Force officer were injured in the incident. They were members of a combined patrol operating on the streets of Ayacucho, some 575 km southeast of Lima.

The sources reported that Shining Path terrorists also wounded a police officer in the arm in another incident in downtown Ayacucho.

Shining Path terrorists also threw leaflets in the Magdalena neighborhood, some 500 meters from the Plaza de Armas and in two markets of Ayacucho. The leaflets urge people to observe "an armed strike" (a strike called under the threat of death for those who do not comply) on 12 and 13 November. On 23 and 24 October the Shining Path terrorist organization called an "armed strike" that paralyzed activities on those days.

On 24 October the government lifted the state of emergency in Ayacucho for the first time since it was declared nine years ago because of the wave of terrorism. It was lifted because it was believed that the subversive activity had decreased.

* 'Discord' Within Fujimori Cabinet Noted

91SM0047B Lima EXPRESO in Spanish 15 Sep 90 p 2

[Commentary by Manuel D'Ornellas]

[Text] Minister of Mines and Energy Fernando Sanchez Albavera announced in Paris that the present government will undertake to transfer more than 200 state enterprises to the private sector. Then, President of the Senate Maximo San Roman contradicted him, stating that there would be no privatization.

This clash, like so many others during the administration of President Fujimori, resulted from two facts. First, the cabinet is made up of individuals of different political backgrounds—leftists of both kinds, populists, and independents—and the government party, Change 90, is an alluvial conglomerate wherein a little of everything is to be found, as in the vineyard of the Lord.

To provide further details, the president of the Republic himself pursued a zigzag course, which confused not only the public but also his ministers and political allies. His is not, therefore, a guiding presence which would serve as an ideological beacon for the government team. It is not surprising, therefore, that contradictions readily arise within the government team.

Moreover, these contradictions within the executive branch are echoed on the government benches in the parliament. For this reason, we are even less astonished to see that one group of Change 90 deputies voted in favor of summoning Minister of Labor Carlos Torres y Torres Lara. Subsequently, the spokesman for that bench found it necessary to demand that its legislators show discipline. He approved the request for a summons but enjoined them from voting to censure the minister.

These things create serious problems when it comes to attempting to form a majority in a splintered and scattered Congress. Negotiating with Change 90 is not the same thing as negotiating with APRA [American Popular Revolutionary Alliance], the AP [Popular Action], or the United Left. The dealings here must be pursued with subsectors, as one bureaucrat called them, of this bench, the most consistent being that formed by the evangelicals. And then one must trust Providence.

All of this shows that we have five difficult years ahead of us, during which one can perhaps hope to achieve many miniconsensuses, but not any major political agreement. Except, obviously, if President Fujimori personally forges them in summit meetings with the principal leaders of the party groups, utilizing the tacit authority which his position gives him in a nation of Incas and viceroys. Matters are in his hands.

If this does not happen, an era of growing dissension, of escalating discord, awaits us. When all is said and done, we are in the inaugural stages of government. We are presently living a period of time which the French call the state of grace, when the country is in a favorable mood, and everything is allowed or forgiven the new administration. The tempests and the storms develop later.

* Alva Castro on APRA Party Anniversary

91SM0047A Lima EL NACIONAL in Spanish 20 Sep 90 p 13

[Interview with Luis Alva Castro, secretary general of the American Popular Revolutionary Alliance (APRA) party by an unidentified reporter; place and date not given—first paragraph is EL NACIONAL introduction]

[Text] For better or for worse, Lucha Alva Castro is heir to the presidential administration of APRA, with Alan Garcia. His noble status is an intrinsic part of the nature of the struggle which he learned from Haya de la Torre's dialogues and which were forged in the university halls. For this reason, what he says is important and enlightening on this APRA anniversary.

[EL NACIONAL] Dr. Alva, how does the APRA view its 60th anniversary?

[Alva Castro] Well, all of us APRA members are proud of the 60 years of our movement's activity, because throughout the history of Peru, the party of the people, of Haya de la Torre, has developed into one of the fundamental pillars of democracy. For us in the party, and above all for Haya de la Torre, the social struggle in Peru has meant battling for the eight hour day, university reform, and finally, the organization of the students' federation at the Gonzalez Prada universities. APRA is a party with very deep roots which identify us with the popular sectors.

[EL NACIONAL] Has APRA contributed to democracy?

[Alva Castro] Naturally, it has contributed through its defense of public freedoms. And through the political constitution, it has succeeded in shaping a basic document which indicates what the future Peruvian society should be.

[EL NACIONAL] Is APRA continuing now with the ideals advocated by its leader and founder, Victor Raul Haya de la Torre?

[Alva Castro] Yes, APRA cannot be judged solely on the basis of its situational action in five years of government. APRA must be given credit not only for its contribution to Latin American thinking and its influence on all of the political movements in Latin America, but also for the true interpretation it has given the history of our reality. The APRA movement has contributed to the shaping of a great historic program which is based on social justice, with peace and liberty, wherein we must eliminate the oppressed and the oppressors. We are seeking a kind of equality in which democracy, both political and social, will be the basic standard for this society which we all aspire to establish, with peace, well-being, and solidarity for all Peruvians.

[EL NACIONAL] What future plans does APRA have for improving its organization?

[Alva Castro] Well, after 60 years, we are convening a special congress which will not be electoral, nor for the purpose of electing, but able to undertake a review and a

profound analysis of what has happened in the country in these 60 years. We want to update our program proposal and to tell Peru of the present and the future that we aspire to be the party of the 21st century.

[EL NACIONAL] Will you put forth a new program?

[Alva Castro] Yes, because in Peru, there is a new social structure, and there are emerging social groups which must be given an opportunity to forge their own destinies. And to do this, we must have a very specific program which will be oriented in particular toward young people, who constitute a majority in this country. Our proposal must be consistent with the current reality in the country.

[EL NACIONAL] Will APRA be modernized?

[Alva Castro] We want to transform it, to update our program, and to restructure the organization in accordance with the regionalization stage. We must modernize our statutes, and the most important thing is that we are going to reaffirm our doctrinal principles. Many things must change. We are going to perfect the mechanisms for communication. Our proposals must be more attractive, and the party must open itself to all Peruvians if we want to represent all the emerging sectors in Peruvian society.

[EL NACIONAL] Does this mean that its ideological principles will also be renovated?

[Alva Castro] No, never. We will not change our principles, which have extraordinary applicability. Our struggle is for freedom, democracy, and social justice. In light of the events which are taking place now in Eastern Europe, it is evident that Haya de la Torre was right when he said that we can only be successful in actions against the imperialists by joining together, uniting, and establishing one great nation—in other words, by integrating.

[EL NACIONAL] Does the anti-imperialist thesis continue to apply?

[Alva Castro] Of course, just as the integrationist position of the National Economic Congress, a fundamental plan for achieving the national agreement which all Peruvians are seeking, is applicable. This is not the time for exclusivism, and all of these dogmatic or extremist positions have been rejected throughout the country. Everyone's contribution is needed, and Haya de la Torre reaffirmed this with the National Economic Congress. He was able to talk to Peruvians of goodwill, saying that we must join together, and that through a national and historic program, we will develop our human and productive capacity, enabling our country to emerge from underdevelopment, to defeat violence, and to find the path leading toward peace and prosperity.

[EL NACIONAL] In what kind of self-criticism can APRA engage as a government party?

[Alva Castro] Well, we have made errors, we must admit. In every human endeavor there are errors. But the important thing is that we have learned. Now we have experience, and I am certain that these errors will not be committed again. We have profound convictions, a desire to correct all that was done wrong while we were in government. But we must also point to the positive work and the noble and beautiful things we have accomplished. No one can deny that we adopted an intelligent position, despite everything which can be said, in defense of the popular interests. The rich people in Peru are on notice that we in APRA will always be on the side of the popular sectors. It was for this that APRA was founded and has fought for 60 years—to defend peasants, workers, small business owners, the middle classes, and students.

[EL NACIONAL] How do you answer those who say that APRA is dead, in an electoral sense, and that it no longer has the capacity to accede to power?

[Alva Castro] I can tell you what an old Arab proverb says. We sat down in front of our tent to watch our enemies who said that APRA was dead. Now our enemies have passed by, and they are finished in national politics. Our adversaries, who fought so hard against us, will have to recognize that today, APRA is a permanent institution in the country. And that it is necessary to respect and recognize how valuable its contribution to national culture has been, as well as the obvious successes our society has achieved in the realm of struggles, consultations, and social conquests. Our struggle has not only been for the eight hour day, but also to improve conditions for workers through all of our parliamentary cells of APRA members who have fought over a period of 60 years so that the working class can have access to a dignified and decorous life. In this sense, the APRA movement has been consistent and faithful to the peasants, as well, with its advocacy of agrarian reform, and so on in all the other sectors.

[EL NACIONAL] Do you mean that APRA still has the potential to accede to power?

[Alva Castro] Yes, we will fight to gain power again. We are certain that we have reached the consciences of the people. In the last elections, despite everything that was said about the APRA movement and all of the wear and tear on the government, which the APRA candidate bore on his shoulders, we won in all the provinces. We were first in the voting. We did not achieve this in Lima and Callao. It is for this reason that we must intensify our message, struggle, and work harder. The important thing is that our optimism, faith, and hope are at a peak, and our struggle in the defense of the popular interests will never end.

Uruguay

Lacalle, Ecuador's Borja Speak in Montevideo

PY0511191990 Montevideo Radio El Espectador Network in Spanish 1500 GMT 5 Nov 90

[Report from mobile unit by Roberto Facal]

[Excerpt] Uruguayan President Luis Alberto Lacalle has said that if the economies of the world have to adjust to the current oil prices on a permanent basis, there will be a great recession. He spoke this morning following his first meeting with Ecuadoran President Rodrigo Borja. In statements to the Ecuadoran media, Lacalle said that Uruguay is not currently considering buying oil from Ecuador because the current trade exchange between the two countries is based on other products. Regarding the bilateral agreements that will be signed this afternoon, the Uruguayan chief of state said they will cover several subjects. He stressed the importance of a project to standardize the laws on drug trafficking.

[Begin recording] [Reporter] Is there any possibility that Uruguay will buy oil from Ecuador?

[Lacalle] We do not buy your oil. We are currently trying to stand the current price hikes in the hope that the Gulf crisis will be solved some way or another. If not, then the world economies will have to adjust to the current oil prices on a permanent basis, and there will be a great recession.

[Reporter] [Question indistinct]?

[Lacalle] Yes, we were making a few changes [words indistinct] especially as we will soon summon South American legal experts to prepare a single project to standardize the laws on drug trafficking. [end recording]

That was President Luis Alberto Lacalle.

Ecuadoran President Rodrigo Borja has said that the Latin American integration project cannot be suspended because history would not forgive us. He said this during a 30-minute speech to the Latin American Integration Association [Aladi]. The Ecuadoran president advocated coordinating efforts to solve the complex Latin American problems. He said we should return to pragmatism and use current reality to find solutions. Regarding the influence of the foreign debt problem in the regional economy, he said that in 1989 Latin America remitted abroad $28 billion. He added that the solution to the problem should be political, a fact that has been recognized even by U.S. President George Bush. In part of his speech to the Aladi, President Rodrigo Borja said:

[Begin Borja recording] We are facing problems whose solution surpasses our national borders. Development has turned into a joint enterprise, into a transnational enterprise, in the truest sense of the word. We will not find real solutions for our problems unless we join efforts and decide to solve them together.

In the past, no individual country ever surmounted the limitations and obstacles of underdevelopment alone. If this was true in the past, it is more real now that we are facing a debt that is disproportionately larger than our ability to pay. This is a situation that harms our development and has forced us to choose whether to pay the debt or to attend the internal needs of our peoples. I am not defending the principle of not paying the debt. I am not saying that we do not want to pay it. What I want to say is that I seriously doubt if we can pay it, at least not under the conditions and in the manner that our creditors demand.

We must, therefore, seek unconventional solutions to the foreign debt problem; solutions which, as the U.S. president himself suggested through his Initiative for the Americas, are purely political, because for the first time they are recognizing that the foreign debt problem is political and that it ceased to be a merely financial conflict a long time ago. Thus, if we want to solve this problem, politicians must be involved and must find political solutions. This position on the foreign debt problem implies a co-responsibility between debtors and creditors—a position that has been repeatedly stated in Latin America. [end recording] [passage omitted]

October Inflation Rate Hits 6.47 Percent

PY0511190190 Montevideo Radio El Espectador Network in Spanish 1500 GMT 5 Nov 90

[Summary] The General Directorate of Statistics and Census reported at noon today that the October inflation rate was 6.47 percent. This means that the accumulated inflation for the past 10 months totals 106.28 percent and 127.27 percent for the past 12 months.

Guyana

PPP Leader Jagan Prepares for Presidency

FL0511150090 Bridgetown CANA in English 1526 GMT 3 Nov 90

[Report by Norman Faria]

[Text] Bridgetown, Barbados, Nov 3, CANA—The leader of Guyana's opposition People's Progressive Party [PPP], Dr. Cheddi Bhart Jagan, has outlasted all but one or two of the "old style" Commonwealth Caribbean politicians of the 1950's and 1960's.

And he has no intention of retiring. Now 72, Jagan, an Indo-Guyanese, is even girding his loins to take over the Presidency of South America's only English-speaking republic. Some believe he stands a good chance, too. As international figures such as former U.S. President Jimmy Carter prepare to observe forthcoming polls, head of the Department of Government at the Barbados Campus of the University of the West Indies (UWI), Dr. Neville Duncan, is one who feels Jagan could return.

"I would say yes. There is a great deal of apathy right now among Afro-Guyanese, who have traditionally supported the ruling People's National Congress (PNC)," he said.

"There will even be cases where they will vote for other parties, like the Working Peoples Alliance (WPA). If the People's Progressive Party of Dr. Jagan doesn't become the dominant party after the votes are counted, there is still the possibility that he would still be given the nod as

president from a coalition of the parties set up after defeating the PNC. This, of course, presupposes there is a free and fair election."

A political contemporary of such noted Caribbean political personages as Trinidad and Tobago's Dr. Eric William, Jamaica's Norman Manley, and Barbados' Sir Grantley Adams, Jagan had given up a potentially lucrative career as a dentist to enter politics in the then-British colonies after the Second World War.

He was the son of indentured labourers who came from India to work on a sugar plantation in what was then British Guiana. Jagan's political awareness and education began as a young man there. It was honed as he studied dentistry in Chicago in the late 1930's and early 1940's at Howard University and the Northwestern University Dental School.

He was forced to work at three part-time jobs simultaneously to pay tuition fees. He also found time to take part-time courses at the YMCA College. There he learned more about the social sciences, and studied Mahatma Ghandi's campaign for Indian independence from Britain.

Shortly before his return to Georgetown in 1943, Jagan married Janet Rosenberg, a Chicago girl who broke away from the strict marriage customs of her Jewish religion. Immediately, they helped form a political organisation to lead the struggle for the colony's independence. In 1946, the Jagans, Jocelyn Hubbard, and Ashton Chase set up the Political Affairs Committee, which in early 1950 evolved into the PPP. In 1953, the party won 18 of the 24 seats in the colony's legislative council. At the time, Jagan referred to the poll as the "rout of the racists."

"(During the election campaign) the National Democratic Party and the League of Coloured Peoples attempted to woo support away from us (the PPP) by appealing to African racism...On the other hand, in the countryside, the Indian voters were told (by the Hindu Pandits and Debehin's United Farmers and Workers Party) that I was sacrificing the interests of the Indians, and selling out to the Africans," he observed in his book, *THE WEST ON TRIAL.*

After the Jagan-led PPP passed a number of laws, including those relating to land reform and labour reforms, the administration ruffled the feathers of the plantocracy, which at the time controlled the mono-crop agricultural sector, and indeed the whole economy.

After only 133 days in office, the PPP was ousted by British troops who landed on October 8, 1953. The Jagans were among those placed under house arrest. Jagan was then in the forefront of trying to avoid a split in his party by a small minority led by Afro-Guyanese, Forbes Burnham. The 1957 poll was contested by Burnham who had formed the PNC. At the time, the PPP described it as a "right opportunist" departure, engineered by the U.S. Central Intelligence Agency. Jagan led his party to convincing victories in both the 1957 and 1961 elections.

After the 1961 poll, the PPP was hard-pressed, and eventually lost the battle for social order and economic development. Lawless bands and terrorists roamed urban and rural areas almost at will. In 1962, British troops again landed. Although the PNC persuaded—some say intimidated—most Afro-Guyanese to vote PNC, Jagan was such a popular leader, and the PPP's programmes so well-received by ordinary Guyanese, that it again gained the majority of votes in the 1964 election, which it lost.

Jagan and the PPP say that they were kept out of office, first by gerrymandering prior to the poll, and then by the "unprincipled" coalition of the PNC and the right wing United Force (UF). After the UF was squeezed out, regional political analysts, such as Duncan and Dr. George Belle of the UWI, argue that the PNC has ruled through rigged elections ever since.

"There is a general lack of democracy. Elections have long been rigged. Additionally, there is no democratic management of the economy, leading to inefficiency and chaos, which causes suffering to Guyanese of all races," Jagan said in his Robb Street, Georgetown office.

Jagan and his wife have often been described as Marxists. Indeed, one of the reasons given by the colonial authorities for removing them from office was that the PPP was "Communist." The Jagans do not deny their appreciation for Marxist theory, and maintain that "a democratic, anti-imperialist, and socialist course" is the way forward for their troubled country.

His hair is greying now, but the veteran PPP leader and Caribbean person still speaks with the same vigour, clarity, and passion which characterised his early speeches at open-air rallies in the Sugar Belt, or under greenheart rafters in Georgetown halls.